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# **Justice for the Old Folk**

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## **PAY Better Pensions NOW**



PENSIONERS' COTTAGES AT NELSON (Lancs.)

*By*

**DAN CARRADICE and CLAUDE STANFIELD**

*Price 2d.*

INDEPENDENT LABOUR PARTY, 318 Regents Park Road, London, N.3



DAN CARRADICE

## Introduction

By  
JOHN McNAIR



CLAUDE STANFIELD

We attended the Fourth Annual Conference of the National Federation of Old Age Pensions Associations held at Darlington on June 30th and July 1st. We met delegates from all over Britain; men and women who had grown grey in the service of the community and whose work in the years gone by had built up our Co-operative, Labour and Socialist Movement. These old comrades put forward an unanswerable case, and we are issuing this pamphlet in order that they may know that practically the whole of the British working-class movement, and particularly we of the I.L.P., are with them, absolutely and entirely, in their just and righteous demands.

THEIR DEMANDS ARE JUST because the first charge on a civilised community is the care of the weak, the infirm and the aged.

THEIR DEMANDS ARE EQUITABLE because the financial adjustments involved will not constitute a *burden* on the community, but will ensure a more reasonable and common-sense distribution of the wealth produced.

THEIR DEMANDS ARE RIGHTEOUS because the real object of society is the production of healthy and happy men and women, and human life and welfare should be our *first* charge.

"Ill fares the land to hastening ills a prey,  
Where wealth accumulates and men decay."

The pamphlet is the work of our two comrades, Dan Carradice and Councillor Claude Stanfield. Dan has a well-known and worthy record of 40 years' service in the Lancashire working-class movement and is now our Scottish organiser. Claude is a Welshman, living at Merthyr, and is the acknowledged champion of the workers in that part of the Welsh coalfield. All the facts and figures given by our comrades have been verified and may be quoted by our friends the O.A. Pensioners. The National Federation decided to embark on a nation-wide campaign during the second week in September, followed by a national petition to the Government. We offer them all the help which this Party can give, both in the country and in Parliament. We trust this pamphlet may be of service to them in drawing attention to the scandal of the present rates. If our efforts assist the old folk in obtaining immediate satisfaction and ultimate justice we shall feel that we have not laboured in vain and that we have contributed something towards obtaining a measure of comfort for the aged workers.

# Justice for the Old Folk

## BETTER PENSIONS NOW

THE WORKERS OF YESTERDAY ARE THE PENSIONERS OF TO-DAY.

THE WORKERS OF TO-DAY ARE THE PENSIONERS OF TO-MORROW.

This simple fact should unite all workers in strong determination that those at present on pension receive decent treatment right here and now.

THE NATIONAL FEDERATION OF OLD AGE PENSIONS ASSOCIATIONS state their objects as follows:—

- (a) Abolish the Means Test.
- (b) Increase the old age pension to a minimum of 30/- per week each for both men and women.
- (c) The relative value of the old age pension shall not fall by reason of any rise in the cost of living.
- (d) Lower the age of qualification to 60.
- (e) The pension, without deduction, shall be paid to the wife at the same time as the husband.
- (f) Remove the stamp qualification.
- (g) Provide suitable homes at rents which the pensioners can afford to pay.

On the general outline of their case may we congratulate the Old Age Pensions Associations. Within the boundaries of reason there is no answer to the case they present for a minimum of 30/- per week. Within the boundaries of the simple defence of private profits there are, of course, plenty of excuses available.

### The Duty of the Public Authorities

A very experienced and responsible body, the Executive Committee for all the Public Authorities in Scotland invited all parties to a conference at Lanark House, Glasgow, on January 16th, 1943, to consider a recommendation from them in reference to pensions. The meeting endorsed unanimously the proposal for 30/- per week and included a proviso that there should be no Means Test, that 30/- should be regarded as a minimum, any increase in prices to mean an increased pension. On behalf of the Independent Labour Party it was my pleasure to second the resolution. I congratulated the E.C. on having the courage to state a figure and in not hiding behind the word "adequate," which has not got the same meaning to various groups! It was also creditable to the E.C., in view of their responsible position, to announce that they supported the amount of 30/- to each pensioner, now.

It would be extremely helpful if all other public authorities would act in unison with the Scottish Public Authorities on this question. The actual experience of men and women engaged regularly in public service sweeps into oblivion any suggestion that a proposal to grant 30/- to each pensioner is merely romantic idealism.

## The Government and the House of Commons

Although the present position is fairly well known we think it necessary here to give the broad outlines. Once more the Government has recently discussed pensions after a delay of nearly a year. They have decided to make minor alterations which make slight concessions to those who are in receipt of superannuation allowances or having a certain amount of income from capital. *In short, a little to those who have and nothing to those who have not.* The aged and their supporters after another long and weary period of waiting have had their request for an increase in the basic rate treated with contempt.

Let us take a look at the composition of the Tribunal known as the House of Commons. The lowest salary for any of the members is approximately £12 per week. Many members have many incomes! Harold Laski states: "Of some 300 Conservative Members of Parliament about whose parents we have knowledge, 80 per cent. inherited wealth. In the House 125 members went either to Eton or Harrow and 154 to other public schools, while 188 went either to Oxford or Cambridge." Therefore it is the men who presumably are "cultured" who agree that the aged poor should be deprived of necessities. I ACCUSE THESE MEN, WHO ARE IN MOST CASES AGED AND WEALTHY, OF BEING MERCILESS, BRUTAL AND CALLOUS TO THE AGED POOR OF THEIR OWN CONSTITUENCIES AND THE COUNTRY AS A WHOLE. Undoubtedly, "they have learned to bear with fortitude the sufferings of others." We need also to remember that often these M.P.s are absentees from their work in the House, but none of them have yet been sent to prison for being absentees. This honour is reserved for miners and engineers, etc. Let us remember that Members of Parliament are covered by a contributory scheme which may allow them up to £3 per week on retirement, and ex-Cabinet Ministers may receive very substantial pensions up to as much as £38 per week.

## The Gallant Minority

May we pay a tribute in passing to the 61 members who voted against the miserly Bill in the House. What a debate it was! Most of the M.P.s were more concerned that something should be done to protect them against the righteous indignation of the pensioners than to protect the pensioners from unmerited poverty, misery and despair. There can be no manner of doubt that the pensioners and all their friends and supporters are angry. The poor of the past usually died quietly—no fuss, no trouble. The aged of to-day are different. Education has been at work. Some continue thinking even after reaching the age of 65. This section has now become organised and is growing splendidly. They are not alone in their struggle. Co-operators, Labour workers and many in every walk of life are convinced that the aged are receiving a very raw deal and are prepared to help them to get a fairer deal here and now.

## Other Pensioners

It is well to bear in mind that many groups of people are covered by pensions schemes, such as employees of public authorities, civil servants, the police, and members of the teaching profession. These groups have

worked hard and contributed themselves to their pensions schemes. We wish them well in all their efforts. But what about the following servants of the State. They seem to be pretty well off:—

<i>Office held</i>	<i>Pension per week</i>
High Court Judges	... ... £67
Ex-Premiers	... ... £38
Field-Marshal	... ... £32
Admirals	... ... £21
Generals	... ... £21
County Court Judges	... ... £21

The interesting thing about these figures is that those who received the highest salaries during their working days received the highest pension on retiring. What about the famous "thrift" argument? These people talk *ad nauseam* to the aged workers about thrift, but surely out of their own handsome salaries they should have been able to exercise this much-vaunted virtue and thus would not be a burden on the community to the extent of the figures mentioned above.

We have always claimed that the young, the infirm and the aged should have priority of consideration. We are not dealing with the first two classes at the moment but with the aged. To-day the aged poor are dealt with as undesirable outcasts somewhere between 65 and the cemetery. They are placed last in the queue for necessities. In fact, Sir William Beveridge states: "It is dangerous to be in any way lavish to old age until adequate provision has been made for all other vital needs such as the prevention of disease and the adequate nutrition of the young." One can visualise Sir William and the Prime Minister saying to the pensioners, "Come and see us again in about 20 years and we might, possibly, then consider your claims."

### **What Are Their Claims ?**

Who are these people to whom "it would be dangerous to be lavish"? They are the people of the 1860-1880 period. They are the men and women who started work at ten years of age, or even earlier. They commenced work at 6 a.m. after travelling some distance on foot in all kinds of weather. It was quite common for a wage of 2/6 per week to be paid for half-time workers, and 4/- to 5/- per week for whole-timers. When they became adults many of them received approximately 12/- per week as agricultural workers to 18/- or £1 as general labourers. They received very little from Society. Working long hours for low wages, wearing poor clothes, suffering from continuous mal-nutrition, very few could ever afford a holiday unless a kindly relative crammed them into an already overcrowded cottage "just to give the children a change." Unemployment very often their lot and no unemployment pay! Periods of illness but no National Health Insurance payments! These veterans of industry worked hundreds of times when really ill because they could not afford to miss the wage they earned even for a single day.

## What They Did

Industrial Britain was placed first on the map of industrialist nations by the ordinary worker of the common people.

They built the railways and thus by transport made industrial development a possibility. They dug the mines and thus provided the material to feed the new industries. Incidentally, they made an industry for themselves, which is one of the riskiest, the most unpleasant, and the worst paid—the coal industry. They built the reservoirs to provide good water to rich and poor alike. They lived in the vilest slums, but as building trade workers they built “the stately homes of England”—mansions like Buckingham Palace and Chatsworth House. They built the baths and sanitary appliances for the world—for the palace of the Mikado. Themselves, they often had to use one distant closet for 20 people! They built the factories for the cotton and wool industry. They spun and wove the cloth that made the manufacturer's fame and his wealth. The shipping industry of this tiny island led the world and is the result of the efforts of the ordinary workers of Britain. The quarrymen of these islands hewed the stone for the housing, the roads and the limestone to feed many industries varying from agriculture to steelworks. The agricultural labourer as depicted in “The Man with the Hoe” gave food to all but went hungry himself.

The wealth of Britain was produced by the British working class. For them has been the heat and burden of the day. At the evening of their lives, for a short space, they demand a little comfort, a little security. **IN THE PAST THESE THINGS HAVE BEEN REFUSED BY OUR “CULTURED BETTERS”—IN THE FUTURE THEY WILL BE GRANTED BY THE PEOPLE OF BRITAIN.**

## The Mothers of Our Race

Much has been said of the achievements of men in field, factory, workshop and battlefield. But what of the women of our race? Behind all achievements, either of individuals or groups, stands the mother. The wives of the workers had a colossal task. Families were brought up in such conditions and on such wages that it was just impossible to rear healthy children. **THOUSANDS, AND INDEED MILLIONS, OF THE CHILDREN OF THE WORKERS HAVE GONE TO THE CEMETERY WHO OUGHT TO BE ALIVE TO-DAY.** We have the unimpeachable evidence of such men as Sir J. B. Orr, who recognises that these children never had a chance in spite of the loving care of a badly harassed mother. Doses of medicine do not cure slums and poverty, neither do they deal with the inevitable ignorance which naturally arises as a consequence of such conditions. To these mothers came the problems of insanitary homes, of low wages, of unemployment, of illness of the wage earner, of unlimited hours of work, and then at the end of it all and as a reward for all her amazing achievements—the Poor House and the Means Test and deep humiliation. **IS THERE ANY WONDER THEY ARE ANGRY?**

Patience with such social evils is a vice and not a virtue. The patience of the aged has been just appalling. I welcome the rising tide of flaming indignation now being shown even by the aged workers themselves. In

all their working years millions of them never realised their worth to human society. They realise it now. They are working for a better deal for themselves, but they are also the pioneers for the workers of to-day whose lot will, nevertheless, be better than theirs has been.

## Where Can We Find the Money?

### MILLIONS FOR DEATH AND DESTRUCTION

The time-honoured evasion, "Where is the money to come from?" is now discredited. The Prime Minister stated "No one can tell what complications and perils may arise in five years of war." One thing is sure, the war will not cease through shortage of cash. Although the war is costing £13,500,000 a day, Members of Parliament on Budget Day joyfully exclaimed "We can take it." The Budget Speech of Sir Kingsley Wood showed that War Savings campaigns had on March 31st, 1943, reached the figure of £5,320,000,000. Interest on loans was £392,000,000. Our little bunch of millionaires now amounts to 1,024, of whom over 100 are new millionaires of this war. The banks show profits of 12% to 18%, and "excellent prospects ahead."

Mr. Ernest Bevin stated that the bankers made £13,000,000 at the commencement of the war by simply increasing the bank rate. In the Budget Debate for 1941 Mr. Ellis Smith (Stoke) stated "Since 1918 we have paid in interest on the Nation's Debt alone the sum of £6,000,000,000, and that debt still remains!"

The Press gives every day accounts of numberless companies whose dividends and prospects make cheerful reading to their shareholders, but it would take too much space to enumerate them here. The railway companies, with £89,000,000, may be accepted as setting the "tone" of investments. One further item Sir Kingsley Wood stated in the House (19/5/43): "As regards income tax, 1/- on the standard rate of tax may be regarded as equivalent to an annual revenue of about £100,000,000."

These few facts and figures relate to unearned income. The meaning of unearned income is: One man earns it and doesn't get it; another man gets it and doesn't earn it.

Now just take a look at the amounts paid to the directors of the "Big Five":—

Midland Bank	...	...	34	Directors with £26 a week each.
Barclays	...	...	34	" " £36 " "
Lloyds	...	...	34	" " £30 " "
National Provincial	...	...	23	" " £33 " "
Westminster	...	...	26	" " £33 " "

Nice little living wages! One hundred and fifty-one men control £66,000,000 of paid-up capital and at least £2,000,000,000 of deposits, and many of them are directors of from six to twenty other concerns.

## Here is the Money

It will be seen from the foregoing that there is plenty of money about if the Government really wanted to help the old folk. There is going on at the present moment speculation in land and property which has

reached "racket" proportions. This can hardly be attributed to the dependents of servicemen or old age pensioners. What about a reduction of all dividends down to  $2\frac{1}{2}$  per cent.? This would be quite a simple and immediate way of getting the money now. But perhaps you would like a more practical and constructive proposal. Well, here it is (this is only given as an example. There are many other ways):—

Sir William Beveridge has been very much in the news lately. His claim to fame does not entirely rest on his report proposals that the pensioners should wait 20 years for a pension of £2 for the couple. He is also chairman of the UNEMPLOYMENT STATUTORY COMMITTEE. In the 1943 Report presented to the Right Hon. Ernest Bevin an extract is as follows:

"The receipts for the year 1942 were £79,027,670, of which all but £2,080,293 represented insurance contributions by employers, employed persons and the State. The expenditure during the year was £6,567,876, made up of £3,708,000 for unemployment benefit, £2,576,635 for administration, and £283,241 for minor items." (I would like my readers to note that nearly as much money was spent on administration—giving the money out—as was paid in benefit.) The total income during 1942 therefore exceeded expenditure by £72,459,794. The balance which had been carried forward at December 31st, 1941, was £79,805,751. There was accordingly a net balance at December 31st, 1942, of £152,265,545.

The surplus arising each week on this fund may thus be accepted as £1,400,000. Now let us get the position clear. Mr. Ness Edwards made a great speech in the House on May 20th, 1943. Among other things he said: "As I see it, this legislation, which was going to make adequate provision for old age pensioners, merely improved slightly the position of 160,000 out of 1,200,000. It has given more to those who have, and denied to those who have nothing. That is the damning indictment of it. There is not a single penny to be given to the 1,000,000 and more old folk who have no resources at all."

Mr. Edwards gives us a total of 1,200,000, including those who have received a little and no doubt, to them, welcome measure of relief. Yet in the fund to which I refer there is such a margin as would give immediately an extra £1 per week to 1,400,000 pensioners even if not a copper was available from any other source. This huge sum of money has been paid into a fund which does not need it at present, AND, IF THE PROMISES OF A NEW SOCIAL ORDER MEAN ANYTHING, NEVER WILL NEED IT!

I claim that this money could just as well be transferred to a pension fund, where it is urgently needed every day. I know that some hands will go up in horror at such a suggestion, but I am not perturbed. My experience with the workers has taught me one thing at least. They are generous by nature and want decent treatment for the aged.

If the Government were to go to the Trade Union leaders to-morrow and say, "We have, in a fund that is not needed, sufficient money to meet the needs of the old age pensioners. It was not collected for that purpose. Will you consult the members of your Unions and ask for their consent for the weekly surplus of £1,400,000 to be paid to the pensioners?" It would be necessary to explain that in this fund was the sum of £152,805,751 at the end of 1942, that since then it has accumulated so that at the end of June it will probably be over £180,000,000, and that

the present weekly surpluses could be paid over without TOUCHING A COPPER OF THIS HUGE RESERVE!

If this were done, I know what the answer of the workers would be. It would almost be unanimous. They know that old age is inevitable. They know how the present aged are being treated and they realise that their own time will come in due course. They would agree, not from any selfish standpoint, but because the British working class is fundamentally decent and generous and they desire to end the present injustices to the aged.

I have gone into all this necessary detail to show that the money could be easily obtained now, but the great problem is that we are in the hands of the governing classes who control the State and the monetary resources thereof, and I have no hopes that this class will help the aged poor. **IF YOU WANT A THING DOING WELL YOU MUST DO IT YOURSELVES.** The only people who will help the pensioners are genuine Labour and Socialist members, and one of our most important jobs is to get a workers' majority in the House of Commons.

### **This Money Bogey**

We are all afraid of facing this question of money. Whenever cash is needed for any social services the cry goes up from the privileged classes, "Where is the money to come from?" We have shown one way. There are many others. But the myth of money "codology" is fast disappearing. The Prime Minister was amazed that anyone should say "money was a meaningless symbol." Yet the experience of the U.S.S.R., of Germany, of Lease and Lend, the experience of Britain since 1939, have all clearly demonstrated that the jiggery-pokery of "High Finance" was after all only a "low swindle" carried out on the credulity of all of us.

In his great book, "Fighting for What?" Sir John Orr says: "The Old World is passing away. Under the old international political system we have suffered two world wars in one generation. It is obvious that this system must pass away or civilisation will be destroyed. **THE ECONOMIC SYSTEM HAS BROKEN DOWN BECAUSE IT COULD NOT CARRY THE GREAT WEALTH WHICH SCIENCE HAS ENABLED US TO PRODUCE.** A system which is forced for its own preservation to prevent the production and distribution of commodities, which the majority of mankind urgently need, is incompatible with human progress. The breakdown of the economic system was the main cause of the war."

Note what Sir John says. The system has broken down because it could not distribute the goods which it produced. Bearing this in mind we see clearly that money must not be confused with real wealth. Money is only a symbol, and we shall become involved in difficulties if we think of a symbol as a reality. The value of money depends on whether the claims can be met—whether it can purchase the real wealth produced by the workers. The real problem is therefore the production and distribution of commodities.

Has that problem been met? Here is the record for the past 29 years: 28% of the time of Europe has been spent in modern war. Our statesmen and business men have in the remaining period followed a policy

of restriction and destruction of commodities. Millions of workers were unwanted until war once more approached. Peace and unemployment—war and overtime, is the experience of the working man. Peace and profit—war and a whirlwind of profit is the experience of the investor. Mr. Ernest Bevin gives us the figure of 25,000,000 employed workers to-day. Not less than 15,000,000 workers are in war work. We may be allowed to guess that another four millions are in the Forces. In that situation we are told that the harvest in agriculture will be the highest ever; that the rate of production in all industry is the highest per man in the whole world. Facts like these prove conclusively that the problem of a few million aged is just no problem at all.

### Why Not Ration Money?

I know that the opinion was voiced in the House of Commons that it is no use giving the pensioners more money unless there were more goods to buy. Workers are told that merely to increase wages or pensions without an increase in supplies may mean paying extra money for the same—or a lesser amount of commodities. Does that argument apply to interest, profits or dividends? Yet it is singular that everyone else in the community can do something with extra money EXCEPT THE PENSIONER. I agree with Sir John Orr that money needs to be rationed as well as goods. We suggest, therefore, that the ration of money to the aged be increased at once; that along with the children and the sick they form priority No. 1 in our civil population.

I therefore conclude this section of the pamphlet by stating that the old folk have proved their case for increased pensions; that the granting of this increase could be accomplished now, and that the sooner it is done the sooner will we have ploughed back into the community the money value of the pensions they receive which will save unemployment benefit, doctors' bills, unnecessary suffering and in some cases premature death. Finally, let us not forget that IT IS THE RIGHT THING TO DO.

### Provision of Houses for the Aged

This important aspect has long been neglected. May I here place on record my appreciation and thanks to the Right Hon. Arthur Greenwood for his acceptance of the proposal which I submitted to him for the building of bungalows for aged people. The illustration (shown on the cover) will show the type of bungalow which has been built in Nelson, Lancashire. They comprise living room and bedroom, both good-sized, scullery with bathroom, H. & C., E.L., and gas, coalplace and lavatory. Small garden both at the front and the back of the house. RENT 5/6 CLEAR!

I have pleasure in giving below part of a report, after ten years' experience, given by one well qualified to judge:—

There can be little doubt that the building of small houses for older people has been a most progressive step. Not so many years ago the fate of people who had become too old to give further useful service to their employers was that they should end their days in the workhouse. Although from a material point of view they had all that they required, yet it is a fact that the shame, as they felt it, of having to enter the work-

house affected them so much that their lives were shortened. To-day provision is being made for older people to continue to live independently. Not only have houses been erected at small rentals to accommodate them, but larger houses have automatically been freed for younger people, with families, to occupy, and congestion, sometimes amounting to overcrowding, has also been reduced. Most of the tenants for the houses for older people come from the working class and very appreciative they are of these small houses, for they are able to live independently of relatives in a house of their own and with modern conveniences to lessen the labour of housework. With only a small rent to pay they are able to make a small income meet the expense of a household. Previous to occupying these houses some of the old folk had rented one or two rooms, often at double the cost of their new house rent, and had to share the kitchen and conveniences of the house. Others had to put up with the restrictions of being with relatives. Instead of this, old age can now be spent in a contented manner, with a degree of comfort and happiness as well as a minimum of work which was certainly not possible before.

Bungalows have a special value for old people. No stairs to climb. Many aged and sick who live in tenements with stairs to climb are virtually prisoners. The reduction of rent from 10/- or even more for a single room to the full use of a home, easy access to a little garden and beneficial effects of sunshine such as bungalows provide for 5/- to 6/- per week means a very great deal to the old folk.

The point to bear in mind, friends, is that the above scheme is plain, honest common sense and could be worked with a minimum of expenditure.

There are still some diehards who think we are unreasonable. To them I would like to quote the provisions that are now being enjoyed by captured German generals. And, mark you, I am all in favour of humane treatment to all prisoners of war, but this makes us think. I quote from the *Daily Herald*. This is the little home provided for them: "There are 1,000 acres of gardens and water gardens, rose gardens, terraces, woods, glades. There are orangeries and lawns sloping down to a lake, and there is a little blue-painted swimming pool with Madonna lilies growing around it, and a private golf course. Apart from the fact that they will be confined to the mansion house and gardens, the Germans will live a normal life." When one thinks that the last piece of work which these German generals did resulted in over 200,000 of our lads being killed or wounded, our claims for the housing of the fathers and mothers and the grand-parents of the 200,000 cannot be considered unreasonable. And don't let anybody misquote me. I am all in favour of humane treatment to prisoners of war. I mention this twice to prevent any misconception.

### Right to Medical Treatment

Owing to historic anomalies many aged people are without the right to have the attendance of a doctor when needed in a manner quite free from "Poor Law taint." Naturally, as people get older they need more medical attention. We suggest that whether previously insured or not the aged person should go on the panel with the same choice of doctor

as any other person. The doctor should receive the whole of his usual panel remuneration directly from the State.

It is also urgently desirable that they should have free optical and surgical appliances when needed according to the advice of the medical practitioner; access to convalescent homes is also needed for periods of recuperation.

LESS MEDICINE, BETTER HOMES AND MORE NUTRITION IS WHAT THE AGED NEED.

### Holidays and Recreation

It is surely obvious that anyone on pension still continues to need the change of air, scenery and company which only a holiday can give. People do not suddenly lose all their needs for human amenities when they have reached the age of 65 years or any other birthday! In reference to recreation, such games as bowls are favourites with the pensioners. He must have a little spare cash so that he can join as an ordinary member and not need to depend on any form — even if very kindly intended—of condescension or charity. Let him step on his beloved green with head erect and enjoy his game like a man.

### Relatives

Elderly people should not be dependent on relatives. We must realise that no ordinary worker has a margin that will allow him to cover the cost of other adults in addition to his own family. This is not a matter of feeling but of fact. Many sensitive aged people in such circumstances do not get the food they need because they know or feel that they are depriving their grand-children of food which is essential to their health.

Such is the refinement of cruelty for the crime of just growing old!

### Better Clothes

A reasonable margin of cash over ordinary weekly expenses is needed in order that aged people can be dressed in the same way as other people. In many cases there is a worsening in things supplied by the local authorities. Where new clothes were supplied, now a "line" is given for the sum of £2 for the aged to buy second-hand clothes. Why should they be compelled to wear the cast-off clothing of others? How often this produces a feeling of shame. Life has given them very little and finally robs them of all they have left—their self-respect.

### Tobacco, Games, etc.

Such little luxuries are practically necessities, and any person who is on pension should have the same power and the same right as other people to spend their little surplus—and a surplus is vital—in the way that gives them the most happiness.

### Home Fires

How tragic it is that even in peace time large numbers of the old folk who need fires most cannot get them. Our cities are full of aged people living in cold, empty rooms. The warmth of their blood has gone and the warmth of their fellow men has not comforted them. Once again where "extras" are given the "Poor Law stigma" is attached.

## Visits from Friends

To have a visit from friends or to pay a visit is a great source of pleasure to many old folk. It is one of the civilising influences in life. From how many of the aged is this denied because they cannot afford the few coppers it would cost?

## Generosity

The writers believe that many human beings are naturally much more generous than they appear to be. They are compelled to appear mean and stingy because they are too poor to be able to give even to any cause which they would love to support.

The above details have been given at some length in order that those outside the Independent Labour Party will have some understanding of our outlook on such a large and serious question. Our speakers are banned by the B.B.C. and suppressed by the Press. Both these groups combine in teaching the workers that anything sensible is impossible. We therefore appeal direct by this pamphlet to men and women of goodwill in the country.

## How the Pensioners Live Now

Before I conclude this pamphlet I want to give some actual particulars of pensioners' budget. These are supplied from South Wales. Many of the pensioners have spent all their lives in the Welsh coalmines and we all know what the conditions were in those derelict areas.

### (1) Budget of Single Pensioner in Lodgings.

Income 22/- per week (10/- O.A.P., 12/- supplementary).

	s. d.
Lodgings	6 0
2 ozs. of cheap tobacco	4 6
Boots and clothes clubs	3 0
Recreation, such as bowls, pictures, etc.	1 0
Insurance (to avoid pauper's funeral)	6
Various items soap, razor blades, laces, matches, comforts fund, etc. etc.	1 0
	16 0

Amount left for food, 6/-, to provide 28 meals (about 2½d. per meal).

### (2) Budget of Pensioner and Wife (over 60 years).

Income £1 O.A.P., plus 19/- supplementary.

	£ s. d.
Rent	8 0
Coal	4 6
Boots and clothes club	5 0
Insurance	1 0
2ozs. of tobacco	4 6
Household replacements	1 6
Light	1 6
Wireless (plug-in)	1 6
Pictures, bowls, bus fares etc.	1 6
Various items as in first budget	1 0
	1 10 0

Amount left for food, 9/- for the provision of 56 meals. This works out at a little under 2d. per meal. The British Restaurant, which is the Government's model of efficient and cheap feeding, cannot provide dinners at less than 1/- per meal. Even school feeding, which is subsidised by the Board of Education, cannot provide meals at less than 4d. on a communal basis.

### (3) *Pensioned Widower and Evacuees.*

Before evacuees came to live with pensioner, his position was as follows: 10/- O.A.P., plus 16/9 supplementary pension; total 26/9.

This man responded to the Government's appeal to assist in this question of evacuation and took a mother and two children, for which he received 11/- billeting allowance. These evacuees had the full use of all domestic requirements from a cup of tea to a bed. The old age pensioner was then reduced down to 22/- per week, a cut of 4/9, for being patriotic.

### **Some Anomalies**

When the slight increases were awarded last year, the Press of this country conveyed the impression that every pensioner drawing supplementary pension would get the 2/6 increase. This, of course, was only partly true. Many thousands did not get the full 2/6 increase. If we had space we could give many examples to prove this.

It must be remembered that winter allowance is not granted to any pensioner who has some other income, such as a disability pension, superannuation pension, army allotment (for a son or daughter serving in H.M.F.), or if the Pensioner is living with a married son or daughter.

The general attitude of the Assistance Board is that no clothing grants are made where the pensioner is living with a married son or daughter. Only in very exceptional cases are these grants made.

To sum up, one fact remains quite clear, mainly that the Government has made no real effort, in spite of all their talk, to improve the conditions and the lives of the veterans of industry.

### **Our Appeal to the Nation**

There is probably no other question on which we have such a large amount of common agreement as upon the need to improve very substantially the basic rate of the pensioners. Why is it, therefore, that nothing is being done? There are several reasons:—

1. With the suspension of elections we have now no democracy. The last General Election was 1935. This means that the ageing men of the House maintain their own peace and security on a salary at least 12 times greater than that of the pensioner. The House of Commons badly needs a spring-clean.

2. The aged have votes, but at the present time these votes are useless and thus possess no power. Although they are organised, they have not the usual power which organised workers possess, the power to withdraw their labour. That is why they are ignored.

3. A stock answer now being used is that it is no use doing something in an isolated fashion because comprehensive schemes are under consideration. This is not true. The only comprehensive scheme that has been outlined at all is the Beveridge Report. We remember what happened to that in the House of Commons. and even as it stood, no

workers' representative would dare defend it. If any comprehensive scheme is to give less than 30/- per week, it will not be sufficient. If it is more, then the fact that 30/- has been inaugurated will not affect it. Is it no concern that while wealthy men dilly and dally, Father Time reaps his harvest?

4. The Coalition system of Government ties the hands of the Labour Party. The old folk never believed that workers' representatives would not have the courage to stand by their reasonable claims.

In the circumstances outlined above, it is clear where the Old Age Pensions Associations must appeal. They must go direct to the workers, whose representatives are not doing the work that they were elected to do. They must ask the Constituency Labour Party to receive a deputation from the O.A.P., and for the local M.P. to be present, particularly if his votes in the House have not been satisfactory. They must keep in touch with the Trades Unions and ask that the claims be supported. Do not forget that justice is on the side of the aged, and power is in the hands of the workers. Let power and justice combine and, General Election or no General Election, ways and means will quickly be found to meet the difficulty. Remember that vested interests, both inside the House and outside, are against the claims of the old folks. Yet in this country many people in all sections, including not only manual workers, but also the professions and the technicians, are in full support of such claims as have been put forward.

## **Socialism—The Only Real Solution**

The writers of this pamphlet firmly believe that the only real solution to the problem, not only of the aged but of the sick and the infirm, will be found in a Socialist Commonwealth. Socialism means that every member of the community who has contributed to the well-being of society during his youth and manhood should be able to spend the latter years of his life in reasonable comfort and happiness.

But we have not yet reached Socialism, and in the meantime let us have done with all this mean, niggardly and petty shuffling on the part of the governing class. We are easily able to do what is needed. It is the will to do it which is lacking. It will be one of the happiest days for this country when the aged are freed from the grip of poverty. We shall all feel that in the long upward struggle of humanity a new height has been attained, and the men and women of the future will look forward to the later stages of life without fear.

The next generation, while noting our folly in many directions, will recognise that at least on one issue we had a little gleam of common sense and sanity.

### **EQUALISE THE SACRIFICE.**

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# WAR ON THE PEOPLE

An Exposure of the Chemical  
Kings and their Nazi Associates  
by ROBERT EDWARDS



# War on the People

*An Exposure of the  
Chemical Kings and  
their Nazi Associates*

by

ROBERT EDWARDS

INDEPENDENT LABOUR PARTY  
318 REGENTS PARK ROAD, LONDON, N.3

1944



## THE AUTHOR



ROBERT EDWARDS, whilst still in his thirties, has crowded into his life experiences which fall to the lot of only a few. A leading official of the Chemical Workers' Union, he is recognised on the workers' side as one of the most able negotiators. He is Chairman of the Independent Labour Party, has been a member of its National Council since 1936,

and has contested two Parliamentary elections as the candidate of the Party. He is also an ex-Councillor of the City of Liverpool.

During the Spanish Civil War he was leader of the I.L.P. Contingent in Spain and served as a Captain in the International Militia which fought on the Republican side on the Aragon Front.

He has travelled extensively in many parts of the world, including visits to the Soviet Union, where he met most of the leading officials, including Stalin, Molotov, Bela Kun and the late Leon Trotsky, and made a study of industrial undertakings there, including the more modern chemical plants.

He has lectured in the U.S.A. on World Labour Co-operation, and during his visit interviewed President Roosevelt, John L. Lewis, and many other leading American industrial leaders. He also took an active part in a campaign of the Congress of Industrial Organisations, which to-day embraces six million workers within the modern Industrial Unions of the C.I.O.

He edits "American News" for the "New Leader" and is the author of a number of modest publications dealing with Labour questions in Britain, the U.S.A. and Soviet Russia.

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## PREFACE

**T**HIS booklet is not just another wise thesis on chemistry. It is purposely written in non-technical, readable language with the object of presenting the average intelligent person with as complete a picture of the structure, ramifications and importance of the great modern chemical industry, which has for so long been shrouded in mystery, as is possible within the limits of a publication of this character.

The booklet has the following definite objectives:—

1. To reveal the marvels of modern chemistry and the tremendous possibilities for the future welfare of humanity which its development can assure if the industry is freed from the restrictions of private profit-making.
2. To show the social importance of the toil of chemical workers, both technical and operative, and the need for a closer alignment between the technician and the industrial worker.
3. To expose the national and international ramifications of the big combines, whose cartel agreements and patents' pool arrangements have become more important than international treaties and whose national sections are becoming more powerful than governments.
4. To show how the chemical monopolies deliberately curtailed the production of vital materials in order to safeguard private vested interests and how, in so doing, they greatly assisted the industrial and military machine of the Nazis.

5. To give the reader a brief glance of the horrors in store for humanity if chemical warfare is allowed to become a military weapon in the present conflict; and finally
6. To state a case for the early public ownership of this great and fascinating industry so as to release chemical production and research for the great part it must play in rebuilding Britain, Europe and the world on the foundations of abundance and so end the rule of scarcity which has plagued humanity right down through the ages.

If this booklet assists but a little in these respects the author is well satisfied.

ROBERT EDWARDS.

*January, 1944.*

# THE CHEMICAL KINGS

**W**E are living in a chemical age. Without the toil of the chemical process worker, life, as it is lived to-day, would be impossible. The clothes, the boots and shoes we wear, the food we eat, the radio and electrical appliances in our homes, the books we read, the paper and the printers' ink which make this modest publication possible—all rely on chemicals. Indeed, the chemical industry to-day is the keystone of all basic industries. Its products make possible the mining of coals and ores, the manufacture of iron, steel, rubber, glass, textiles, soap, art silk, leather, paper and all printing. Chemical compounds, based on one mineral—coal, are responsible for thousands of products ranging from explosives, dyes, drugs and antiseptics to poison gas and anaesthetics.

For years this industry, which has never known slump, has been shrouded in mystery. Simple chemical processes were guarded as secret formulas and the mumbo-jumbo of technical phraseology and chemical shorthand created the idea in the mind of the layman that chemistry was something beyond the understanding of the average person—a modern black magic.

## 1. THE NEW GOLD RUSH

There was good reason for the hush-hush policy. There was money in chemicals—big money. Out of coal, sand, lime, air, water and waste matters, with very little capital expenditure, great fortunes were being made by a few, whilst the chemical workers, whose toil and industrial intelligence made this wealth possible, were treated like lost souls in Hades, spending their working lives in the dangerous health-destroying atmosphere of the vats, stills and furnaces of the chemical plants, processing valuable dyes, solvents and acids which not merely destroyed their boots and clothes, but in many cases damaged their lungs, making them old years before their time.

The following examples of recent profits give a further insight into just how profitable chemicals can be:—

	1940.	1941.	1942.
I.C.I. ...	£6,756,000	£6,130,000	£6,499,859
Courtaulds ...	£3,291,292	£4,227,507	£3,995,000
Beechams Pills, Ltd.	£1,085,531	£1,175,215	£1,269,000
Boots Pure Drugs ...	£629,111	£622,784	£643,345
Crosfields (controlled by Lever Bros.) ...	£834,330	£897,501	£853,322
Unilevers, Ltd. ...	£6,900,000	£5,835,705	£6,029,000
Distillers, Ltd. ...	£2,110,936	£1,962,168	£1,947,221
Reckitts & Colman ...	£1,891,288	£1,862,903	£2,057,423

In recent years the tremendous capital investments of the large chemical combines have reduced the ratio of profits, but this can be attributed to the fact that much of this capital represents bonus shares, and watered capital arising out of stock exchange manipulations. This important point is explained in detail later on.

From 1907 to 1914 chemical workers toiled 56 hours a week for an average wage of 22/6, and at week-ends shift workers often worked continuously for 24 hours without a break for an additional 4/6. But big changes have taken place. Two world wars have stimulated the expansion of the industry with increasing momentum until to-day it has become one of Britain's basic industries. Making full use of the opportunity, thousands of chemical workers, through militant industrial trade unionism, have won for themselves wages which compare favourably with those in any other industry. There is still room for improvement before chemical workers can enjoy a more equitable share in the wealth they produce, and conditions more in keeping with twentieth century needs relating to health and workers' welfare.

Despite all the changes in factory legislation which are aimed at safeguarding the working conditions of chemical workers, thousands of men and women in the industry to-day are working under conditions which have changed very little during the last 50 years. Thousands of workers in the dye and colour industries have perforce to sleep in sleeping bags because the dyes and colours are soaked into their skins. The scourge of dermatitis turns the lives of thousands of chemical workers into a nightmare. Countless numbers of burnermen and saltcake workers, because of the nature of their work, which demands continuous production, are com-

elled to work seven nights a week with only a very occasional break, so that to these men normal domestic happiness is impossible.

As bad as these conditions were in peace-time, they are infinitely worse under black-out, speed-up and general war conditions. These conditions can be partially eliminated by further changes in factory legislation affecting chemical workers, but they can only be completely eradicated when profits are no longer the motive of chemical production and the industry becomes the property of the nation.

## 2. MODERN MAGICIANS

In our consideration of the part played by the chemical industry to-day and its rôle in the Socialist society of to-morrow, we commit a grave error if we neglect an appreciation of the greatest revolutionaries in history—the unknown chemists, scientists and inventors who, working quietly in their laboratories, are laying the basis of a great chemical and scientific revolution — a technical revolution which should increase enormously the volume of wealth production, lighten the toil of the workers and lay the foundation of a society where lasting peace can become a practical reality.

The chemists of to-day, in their modern laboratories, are outstripping the wildest dreams of the alchemists of old who tried to convert base metal into gold. The old maxim that you can't produce a silk purse from a sow's ear is no longer true to-day—a chemist has publicly demonstrated that this can actually be done.

To-day, rubber, oils, plastics, etc., are being produced from coal, explosives from air, magnesium and poison gases from brine and seawater. The late George Washington Carver, the American negro chemist and one of the world's greatest scientists, created some two hundred products from the lowly peanut and over a hundred from sweet potatoes. Here we have space to mention but a few of them—milk, butter, cheese, coffee, flour, soap, vinegar, pickles, ink, cosmetics, shaving lotion, breakfast food, starch, shoe-blacking, sticking paste and sweets.

Even dairy farming is now being harnessed to chemical production. Milk is transformed into casein, a basic chemical product from which wool-like blankets, bath robes, hats, paints, oils, resins, solvents and buttons are produced. At Henry Ford's plant in America, steering wheels and even car bodies are being made from soya beans. Glass and fabrics can be produced from sand; beautiful artificial silk out of wood pulp; sweets out of sawdust and wood chips; wool out of slaughterhouse waste; boards for building purposes out of sea-weed; beautiful fibre out of gas and waste fumes.

When Japan entered the war the natural silk of the silk-worm was no longer available, but Duponts (U.S.A.) rapidly developed the production of Nylon—a product of coal which enabled the workers to produce a beautiful fibre which is equal in almost every respect to the products of natural silk.

When Java was lost to Japan, the world's supply of natural quinine was also lost—but synthetic quinine, to take its place, was made by a German patent. (Its production for the United States, however, was held up by an American firm because of its patent agreements with German chemical interests.)

All of these examples indicate, in a dramatic form, the tremendous possibilities for the future. The scientists and the chemists are in a position to make almost any given commodity by breaking down waste matter, which exists in every country in abundance, to its primal atoms and rebuilding it into new molecular structures.

The great chemical industry of this country is to-day, because of the pressure of war events, being compelled increasingly to find new ways of making old products and developing the production of new products from old waste.

### 3. THE STRUCTURE OF THE INDUSTRY

Within the structure of the chemical industry there are over 200 different industries, involving over 10,000 different processes.

*Heavy chemicals* dominate the scene, employing approximately 155,000 workers and producing acids, alkalies, solvents,

dyes, explosives, etc. This side of the industry is completely under the control of the powerful I.C.I. (Imperial Chemical Industries, Ltd.), which is responsible for over 50% of the manufacture of all chemicals in this country.

*Fine Chemicals* employ approximately 40,000 workers, manufacturing drugs and patent medicines. Whilst 400 firms are concerned in this manufacture, three large combines literally dominate the industry.

The manufacture of *Soaps, Perfumery and Candles* is another section of chemical production. Here, again, one mighty industrial octopus dominates the scene—namely, Unilevers, which is the largest trading organisation in the world—its sales for one year being over £200,000,000. Unilevers are the largest producers of margarine in the world, producing 65% of the country's supplies. This combine did very well out of the first world war. For example, in 1913 the capital of the combine was £30,000,000, controlling forty companies. After four years of war, however, in 1919, this combine emerged as a great world trust, controlling a hundred and forty industrial concerns, and its capital had increased to £140,000,000. To-day Unilevers control the greater part of the production of soap, margarine, and a number of vital fine chemicals throughout the British Empire, besides which it controls three hundred subsidiary companies operating in America, the Far East, and in Holland and Germany. Through its Dutch Company it had a controlling interest over 25 industrial concerns operating in Nazi Germany, and in 1941 the Nazis actually gave permission for the Dutch firm to pay dividends to British shareholders under a pre-war equalisation arrangement. The following extract makes this point clear:

“The Directors of Lever Brothers and Unilevers announce that the German Commissioner for the Company's Dutch Associate, Lever Bros. and Unilever N.V. has ordered the payment of full dividends on the Dutch Company's 5%, 6%, and 7% Preference shares.” (“Daily Telegraph,” 24/11/41.)

In 1942 the British Company set aside a reserve of £2,200,000 to maintain an equalisation of profits on its Dutch and German subsidiary companies. The political power of this combine can be understood when we know that out of eleven men appointed by the Government to control oils, fats, margarine, etc., for the Ministry of Food, no fewer than seven were previously employed by Unilevers, Ltd.

*Plastics* is a very important section of the industry which, at the moment, employs only 20,000 workers. Its expansion in this country has been deliberately restricted because of cartel agreements with foreign interests, but it will develop with increasing momentum until it becomes an important key industry in this country. The uses of plastics are becoming more numerous. A product of coal tar, plastics as a substance will rapidly take the place of wood and metals. It possesses a smooth, hard surface which, at certain stages in its manufacture, can be handled like putty.

*Distilling.* The distilling of spirits, the manufacture of alcohol and solvents, is possibly the most closely-guarded monopoly of the chemical industry, it being almost solely in the hands of the Distillers' Company (producers of whisky) which controls subsidiary companies with a capital investment of £21,000,000, the largest of which is the great modern concern of Industrial Solvents, Ltd., with many plants in different parts of the country.

Besides the production of whisky, this monopoly processes critical chemicals, such as acetic acid, acetone, as well as motor and aviation fuels. In addition, alcohol is the basis for the production of important rubber substitutes. The premier company of this monopoly (Distillers' Company) returned recent profits as follows:—

1940:	£2,110,936	(£600,000 to reserve)
1941:	£1,962,168	(£500,000 to reserve)
1942:	£1,947,221	(£500,000 to reserve)

In 1941, however, £2,400,000 of its reserves was invested in Government stock, making the company's total investments in Government securities no less a sum than £13,423,764.

The Government's chief controller for alcohols is T. A. Broad, who, up to the time of his appointment, was the leading director of the Distillers' Company and, further, on November 1st, 1942, the Acetic Acid Syndicate, which comprises three companies — Messrs. Industrial Solvents, Ltd., Imperial Chemical Industries and Shawinigan, Ltd., were appointed by the Ministry of Supply to act as the sole distributing agents of industrial alcohols, molasses, acetic acid and acetic anhydride.

*Rayon or Art Silk* is a most fascinating section of the chemical industry, where wood pulp derived from the forests is transformed from solid matter into liquid, sprayed into acid and like magic transformed into fine silklike threads by a series of simple chemical processes. This industry, too, is dominated by two combines—British Celanese, Ltd., with a capital investment of £12,000,000 and Courtaulds, Ltd.

*British Celanese, Ltd.*, is a section of a great international combine which operates in all the major industrial nations of the world. There is a German Celanese, a French Celanese, an American and a Canadian Celanese. Recently the British section founded a new subsidiary company—the Celanese Plastics Development, Ltd.—with a capital of £300,000. The chairman of the Board of Directors is the reactionary Tory M.P., Sir John Wardlaw Milne, who also has large interests in India. A further director out of a board of four is Tory M.P. Sir Harold Webbe. The share value of British Celanese has been subject to constant fluctuations due to the gambling and speculations of the stockbrokers. For example, in 1928 10/- ordinary shares rose to a market price of £6 15s. each; ten years later, however, they had slumped to 1/9 each. As is often the case, the workers employed in the plants of the firm have been the victims of the financiers' greed.

*Courtaulds, Ltd.*, has a capital investment of over £30,000,000. Like Celanese it, too, is a great international undertaking which carries on the production of Rayon goods in many countries. Prior to the war its subsidiaries included a great plant operating in Nazi Germany, and through the

Unie Silk Manufacturing Co. it dominated the artificial silk industry of Fascist Italy.

Major James Shearer, a former member of the War Office Intelligence Staff, was for many years the company's chief publicity director. He was also the national inspecting officer for Mosley's Blackshirt Movement.

Before the Lease-Lend Act was formulated between Britain and America, the British Government needed dollars to purchase goods in the United States. They proceeded to take over British holdings in that country, which included Courtaulds' shares in the American Viscose Company. These shares were valued in Courtaulds' balance sheet at £18,557,248, but their sale in America only realised £13,500,000. The Company objected to this amount and the issue was referred to Arbitration, but, unlike Arbitration Awards affecting workers' wages, this Award was in favour of Courtaulds, and the taxpayers, through the British Treasury, had to pay £27,125,000 for these shares, which Courtaulds valued at the figure of £18,557,248 and for which only £13,500,000 was realised by the Government. Thus Courtaulds' shareholders gained at the very minimum £8,000,000 at the expense of the British taxpayers. Courtaulds' shareholders, however, enjoyed further profits by an increase in the Stock Exchange value of shares because the Arbitration Award was responsible for sending 20/- shares soaring to 38/-. For example, on June 22nd, 1942, these shares stood at 33/6. After the Arbitration Award on July 22nd they soared to 38/-. To-day, at the time of writing, they stand at 48/10½. These fluctuations in market values have put hundreds of thousands of £'s into the pockets of the shareholders.

This is not the first time that Courtaulds' shareholders have been able to enrich themselves and increase the value of their holdings without adding a penny to their original share capital.

In February, 1928, the company declared a bonus of £12,000,000. The effects of this declaration can best be described from the following report which appeared in the

"Daily Express," February 28th, 1928:—"The news of Courtaulds £12,000,000 yesterday startled the Stock Exchange on the wildest day it has had for years. Stockbrokers caught early trains to town and crowds were dealing with shares before the House was officially opened. Brokers fought to approach the jobbers. Wild dealings continued in the streets hours after the Exchange closed. . . ." Members of the Courtaulds family benefit largely by the rise. Eighteen of them are registered at Somerset House as holding 1,207,978 Ordinary Shares and 687,409 Preference Shares. These though nominally £1 each, have a market value of more than £11,000,000.

These facts are dealt with in detail because they go to explain why monopoly capitalism in the chemical industry has within recent years been compelled to show relatively small dividends in relation to large capital investments. The industry to-day is being choked with watered capital. It is over-capitalised by (a) the frequent issuing of bonus shares—a device which enables the owners to increase the capital out of profits, thus advancing the holdings of the shareholders out of all proportion to the original investment; and (b) by the speculators of the Stock Exchange who gamble not merely in stocks and shares, but in the very livelihood of the chemical workers. It was the greed of these modern brigands, with their legalised robbery of stockbroking, which contributed largely to the depression of the mining, cotton, shipbuilding and railway industries, causing untold misery for the workers, whose daily bread depended on these basic industries. The tragedy of the mining and cotton communities during the pre-war era, which was characterised by starvation wages, under-employment and mass unemployment, will be enacted for chemical workers in the post-war period if the chemical industries are allowed to become the special hunting-grounds of the financiers, speculators and the monopolists.

There are many other miscellaneous industries associated with chemicals, such as rubber, oil refining, glues, paints and varnishes and the manufacture of fertilisers. The approximate number of workers employed in all the industries

referred to is just over 300,000, and the gross annual output of the industry, according to Inland Revenue returns, is over £300,000,000—which means that the annual output per worker per week is £20, which gives some indication of the profits made out of chemicals—an industry which has made many millionaires, has never known slump and which is continuing to expand until it becomes the keystone of Britain's industrial life.

#### 4. THE PATENT MEDICINE RACKET EXPOSED

The Drug and Fine Chemical Industry deals with the manufacture of drugs and patent medicines, and, whilst this industry produces many essential commodities, the patent medicine side in general is nothing but a huge racket which lives and makes huge profits out of the credulity of the public. It is estimated that nearly £30,000,000 is spent on patent medicines each year, which amount is almost equal to the whole national expenditure on the hospital services of this country.

It would be true to say that this country is rapidly becoming a nation of drug-takers and patent medicine consumers, which fact is operating to the detriment of the health of at least half of the population. Fundamentally, it is an economic question. The incomes of the workers of this country have never, at any time, been sufficient to supply them with the necessary body-building foods. For example, medical science agrees that the average adult worker requires from 2 to 3 milligrammes of thiamin (Vitamin B.1) per day. Such a consumption of thiamin requires a regular balanced diet which includes plenty of meat, fresh fruit, milk, eggs, vegetables, together with enriched bread. The majority of workers have never been able to afford such a regular balanced diet, with the result that the domestic happiness of hundreds of thousands of working-class homes is shattered by an ever-present epidemic of minor nervous illnesses which take the form of stomach trouble, indigestion, headaches, backaches and general neurotic trouble. All this makes them easy prey to the expensive advertising of the patent medicine producers who offer pills, medicines and drugs to cure all ills. The

taking of synthetic vitamins can never solve the problem of malnutrition. The solution lies in raising the income of the workers so that they can buy the nourishing foods needed to maintain a normal, healthy life.

### 5. PROFITS OUT OF MALNUTRITION

Generations of poverty and years of faulty feeding cannot be wiped out in a day, but special vitamin enriched diets under medical care would go a long way in righting the terrible harm which capitalist greed has done to the health of hundreds of thousands of workers, and, simultaneously, it would play an important part in stopping the racket of the patent medicine profiteers—a racket which has reached dangerous proportions and has become a powerful monopoly of vested interests backed by considerable political influence. For example, two Members of Parliament—Stanley Holmes, M.P. (Lib.-Nat.), and E. Granville, M.P. (Lib.-Nat.), hold between them a large number of directorships in this industry and dominate the largest patent medicine monopoly—the Beecham Trust. This powerful monopoly controls the following firms: Beechams Products, Beechams Pills, Ltd., Beechams Pills, Ltd. (Canada), Veno's Drug Co., Veno's Drug Co. (Canada), Ashton & Parsons (of Phosferine fame), Dr. Cassels Medicine Co., Natural Chemicals (of Phyllosan fame), Yeast Vite, Yeast Vite (Canada), Yeast Vite (U.S.A.), Cicfa Co., Dinnefords Co., Iron Jelloids Co., Irvings Yeast Co., A. F. Sherley & Co., Pickard and Constance and Eno's Ltd., whilst in 1942 the Chairman of the Directors announced that they have acquired control over five new companies.

The following dividends have been paid by Beechams Pills, Ltd., a subsidiary of this trust, during recent years:—

1933	1934	1935	1936	1937
20%	25%	50%	60%	85%

In 1940 their profits were £1,085,531, in 1941 £1,175,215, and in 1942 £1,269,000, besides which some 22 bonus shares have been issued since 1933. Another subsidiary of the Beechams

Trust—the firm of Veno's, of Lightning Cough Cure fame, have declared the following dividends:—

1936	1937	1940	1941	1942
193%	300%	187½%	174%	190%

whilst Yeast Vite, another subsidiary, returned dividends of 60% in 1940, 82½% in 1941, and 75% in 1942.

Dubarry Perfumery Co., Ltd., which controls, among its subsidiaries, the Quality Chemical Co., Ltd., The Standard Tablet Co., Ltd., and Laking Chemical Co., increased its profits between 1941 and 1942 by over 71%. On its E.P.T. Recovery Fund alone it has sufficient to its credit to pay 15% dividend for a period of over six years if the company returned no profits at all for those years. Since the formation of this company twenty years ago the original shareholders have received £87 10s. in dividend for every £1 invested and still hold their original investment and the promise of more to come!

It will thus be seen that in proportion to capital investment no other industry in the land can show such a profitable return. The chemical workers who produce these patent medicines, drugs and pills and the public who consume them have paid for this industry many times over, and in the interests of the health of the nation the industry should be publicly owned and controlled.

## 6. FACTS ABOUT THE I.C.I.

No statement on the chemical industry would be complete without detailed reference to the ramifications of the Imperial Chemical Industry. This mighty industrial octopus completely overshadows the production of basic chemical compounds. It holds a dominant position in plastic production and completely holds the ransom over every section of the heavy chemical industry, besides which it has now entered the pharmaceutical side of the industry by the recent establishment of a new company with a capital of £500,000 for the production of drugs, etc. It controls over a hundred plants in this country and has a controlling interest in a hundred and eleven subsidiaries. By means of investment trusts and

interlocking directorates in banking, insurance and industrial enterprises it is linked up with oil, coal, nickel, aircraft, motors, magnesium and practically every important industry in the land.

It would be as well, at this juncture, to give a concrete example of how this interlocking of directorates works. Let us, therefore, take a quick glance at the affairs of Mr. George W. Huggett, President and Managing Director of the I.C.I. subsidiary Canadian Industries, Ltd. Mr. Huggett is an Englishman. In 1919 he went to Japan to join the Japanese Explosive Company, at that time an associate of the Nobel Co., but later merged in the I.C.I. Later he travelled to the U.S.A. to represent the Chile Explosive Co. (subsidiary of I.C.I.) and became a director. In 1928 he joined Canadian Industries, Ltd., and recently became its President and Managing Director. Forty-two per cent. of the voting shares of Canadian Industries, Ltd., is owned by the American Corporation of Duponts, besides which the Canadian firm has large holdings in American General Motors, which controls subsidiary companies in every part of the world, including Adam Opel A.G. of Germany, now producing tanks and aeroplane engines for the Nazis, and Vauxhall Motors of Luton, as well as Monsanto Chemicals of Ruabon, N. Wales. Mr. Huggett is also a director of Dunlop Tyre and Rubber Company, Canadian Safety Fuse Co., Canadian Lastran, Ltd., and Canadian Hanson and Van Winkle. Canadian Industries, Ltd., is also closely linked with the International Nickel Co. of Canada, the directors of which include Lord McGowan, Lord Melchett and Lord Weir—this latter company controls the Petsamo Nickel Co. of Finland, Huntington Works, West Virginia, U.S.A., Bayonne Works, New Jersey, U.S.A., Whitehead Metal Products Co., U.S.A., Henry Wiggin & Co. of Birmingham and Glasgow, Clydark Nickel Refining, Wales, Acton Platinum Metals, Birmingham, and the Tarene Colliery Co. of Wales.

The I.C.I. controls manufacturing subsidiary companies in every part of the British Empire, including I.C.I. Australia, I.C.I. New Zealand, Canadian Industries, Ltd., South African

Explosives, Ltd., and monopolises chemical production in India, besides which it is linked with powerful interests throughout the whole world, including German I.G. Farben-industrie (the I.C.I. of Germany), Krupps Steel, French Schneider, Duponts and Dow Chemicals, U.S.A., Etablissement Kuhlmann, Chile Explosives Co., Mitsue Co. and Japanese Explosive Co., by means of cartel agreements and patents' pooling arrangements.

#### 7. I.C.I. AND GERMAN FARBENINDUSTRIE

In 1938 the I.C.I. and the Nazi-controlled I.G. Farben-industrie established a new company in Manchester—The Trafford Chemical Company, Ltd., which operated under joint British and German control up to the outbreak of war. This is but one typical example of the very close alignment between the I.C.I. and the Nazi industrialists. Its chairman of directors, Lord McGowan, is a director of the Midland Bank, holds fourteen directorships, and has an estimated income of £70,000 a year. He attended the Nuremburg Conference of Nazis in 1938. Sir John Anderson, M.P., a member of the War Cabinet, was a director of the I.C.I. prior to his appointment to the Cabinet. He was also a director of the Vickers-Armstrong Combine and has large holdings in the Midland Bank.

The late Neville Chamberlain was a shareholder in I.C.I. and an ex-director of Elliotts Metal Co.—now an I.C.I. subsidiary. In 1929 he pushed through Parliament the De-Rating Act, which relieves business premises from local rates, and which, according to a statement by the late Lord Melchett, saved the I.C.I. £200,000 per year in rates, so politically Chamberlain's De-Rating Act made a present of over £2,000,000, up to the time of writing, to the I.C.I.

I.C.I. have many shareholders with influence in the political life of the nation. They include Lord Simon (the appeaser of Japan), Captain Bullock (Tory M.P., son-in-law of Lord Derby), N. C. D. Colman (Tory M.P.), Rt. Hon. Sir Hugh O'Neill (Tory M.P.), Lord Croft (Under-Secretary for War), and the Marquis of Zetland.

## 8. INDUSTRIAL POWER BEGETS POLITICAL CONTROL.

Prior to the war the I.C.I. had business arrangements through cartel agreements with German concerns which were a part of the Nazi industrial organisation. Prominent individuals associated with the I.C.I. are now holding Government posts, as will be seen from the number of men it has as chief controllers over Government Boards:—

Chemical Controller—F. W. Bain (I.C.I.)  
Ammunition Controller—A. J. G. Smout (I.C.I.)  
Explosive Controller—J. Rogers (I.C.I.)  
Industrial Ammonia Controller—F. C. O. Speyer (I.C.I.)  
Deputy Controller (Plastics)—G. W. Thomas (I.C.I.)

Actually 61 members of the I.C.I. are employed by the Ministry of Supply, whilst the Government's recently appointed Committee to enquire into synthetic rubber production also has Mr. F. W. Bain, of the I.C.I., as its chairman.

## 9. SOCIALISE THE I.C.I.

During recent years the profits of this great combine have been as follow:—

1939	1940	1941	1942
£6,500,000	£6,756,000	£6,130,000	£6,499,859

Imperial Chemical Industries, Ltd. — Britain's largest concern and the world's greatest manufacturers of explosives and poison gases, is something more than a monopoly—it is a state within a state, possessing more power than Governments. Its stranglehold on Britain's vital chemical supplies must be broken and uprooted, for such power in the hands of private interests will always menace the peace of the world and jeopardise the advance towards Socialism in this country. The time is more than ripe when this monopoly should be publicly owned in the interests of the nation and their plants administered by the workers and technicians who run them.

## 10. THE SYNTHETIC RUBBER SWINDLE

The world uses a million tons of natural rubber every year in peacetime. In war the demand is double that amount. A few years ago not one person in a hundred was interested

in rubber, but to-day its shortage has become one of the vital problems of the United Nations. In July, 1942, according to a "Manchester Guardian" report, President Roosevelt, in a broadcast speech, declared: "It might be necessary for the Government to commandeer all motor-car tyres. . . . We are trying to save not rubber or petrol, but the nation." This statement gives the layman an appreciation of the critical nature of the rubber shortage.

Slavery and near slavery have always been an essential part of the cultivation of natural rubber. Brazil was the birth-place of natural rubber, but the natives who inhabited the thinly-populated forests of the Amazon valley, were reluctant to embrace the slavery of the plantations. It was a poor substitute for the free, easy-going status of their previously "uncivilised" existence, and so the British and Dutch planters gathered the seeds from the rubber trees and started rubber cultivation in Malaya and the Dutch East Indies, where the millions of hungry natives guaranteed an almost inexhaustible supply of the world's cheapest labour, and so Malaya and the Indies became the major source of the world's rubber supply. This British-Dutch monopoly was destroyed by the Japanese occupation. The plantations and the warehouses loaded with rubber, fell into Japanese hands largely because the rubber slaves refused to fight for their white exploiters.

Before Japan came into the war, however, the British-Dutch rubber interests were sufficiently powerful to prevent both Britain and the U.S.A. developing alternative supplies of rubber by the creation of a synthetic rubber production industry, and as far as Britain was concerned they even discouraged the reclamation of rubber and the re-treating of tyres, although three-quarters of the rubber consumed went into the manufacture of tyres. Up to the end of 1941 the figures for rubber reclamation in Britain, as compared with other countries were as follow:—Britain, 7%; U.S.A., 38%; U.S.S.R., 97%; Germany, 98%.

There are several alternative sources for producing rubber substitutes. One is from oil, another is from alcohol, and a further one is from coal. The most successful process so far

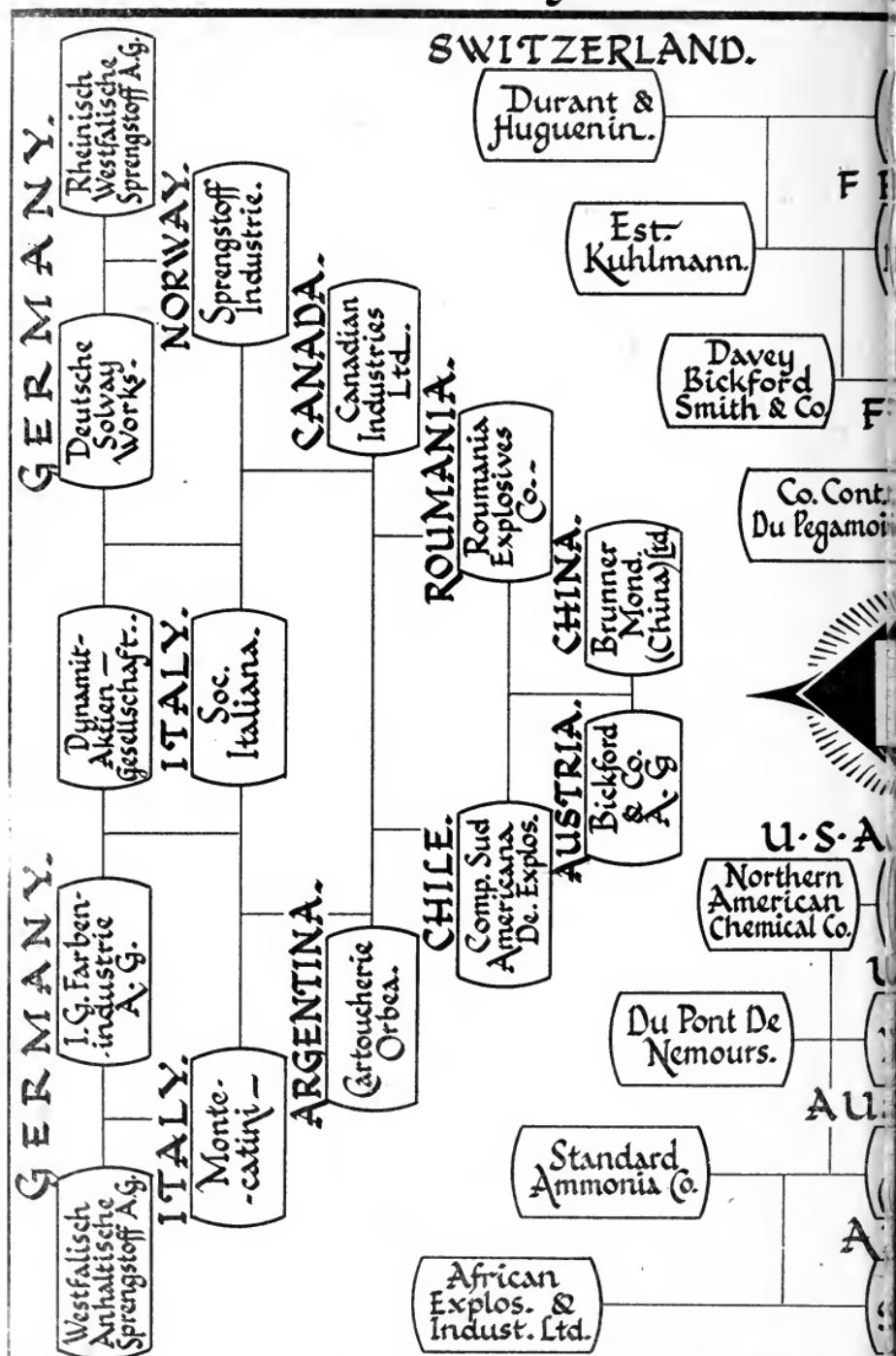
is from grain, potato and farm products' alcohol. Germany, Poland and Soviet Russia have all produced synthetic rubber from such materials. As far as Britain is concerned rubber from coal is the most practical alternative supply and such a production is an old story as far as the British Chemical Industry is concerned. As far back as 1922 a British scientist produced synthetic rubber from shale coal at a manufacturing cost of 3d. per lb., which is the cheapest known process, but powerful vested interests prevented its development. As far back as 1934 Germany, which had no source of natural rubber, had developed this industry to a very large extent. In this development Nazi Germany was greatly helped by the research and patents of American and British chemists. Indeed, in April, 1942, the Standard Oil Company of New Jersey was fined 50,000 dollars for refusing to release secret American processes for the production of synthetic rubber from coal which this firm had already made available to both Nazi Germany and Fascist Italy.

Up to September 3rd, 1939, British I.C.I. was linked with Standard Oil and I.G. Farbenindustrie through the International Hydrogenation Patents Co. and, further, the I.C.I. is indirectly interested in the rubber plantations of Malaya and the Dutch East Indies through its link with Dunlop Tyre and Rubber Co. and U.S.A. Duponts, both of whom owned vast acreages of natural rubber in the Indies.

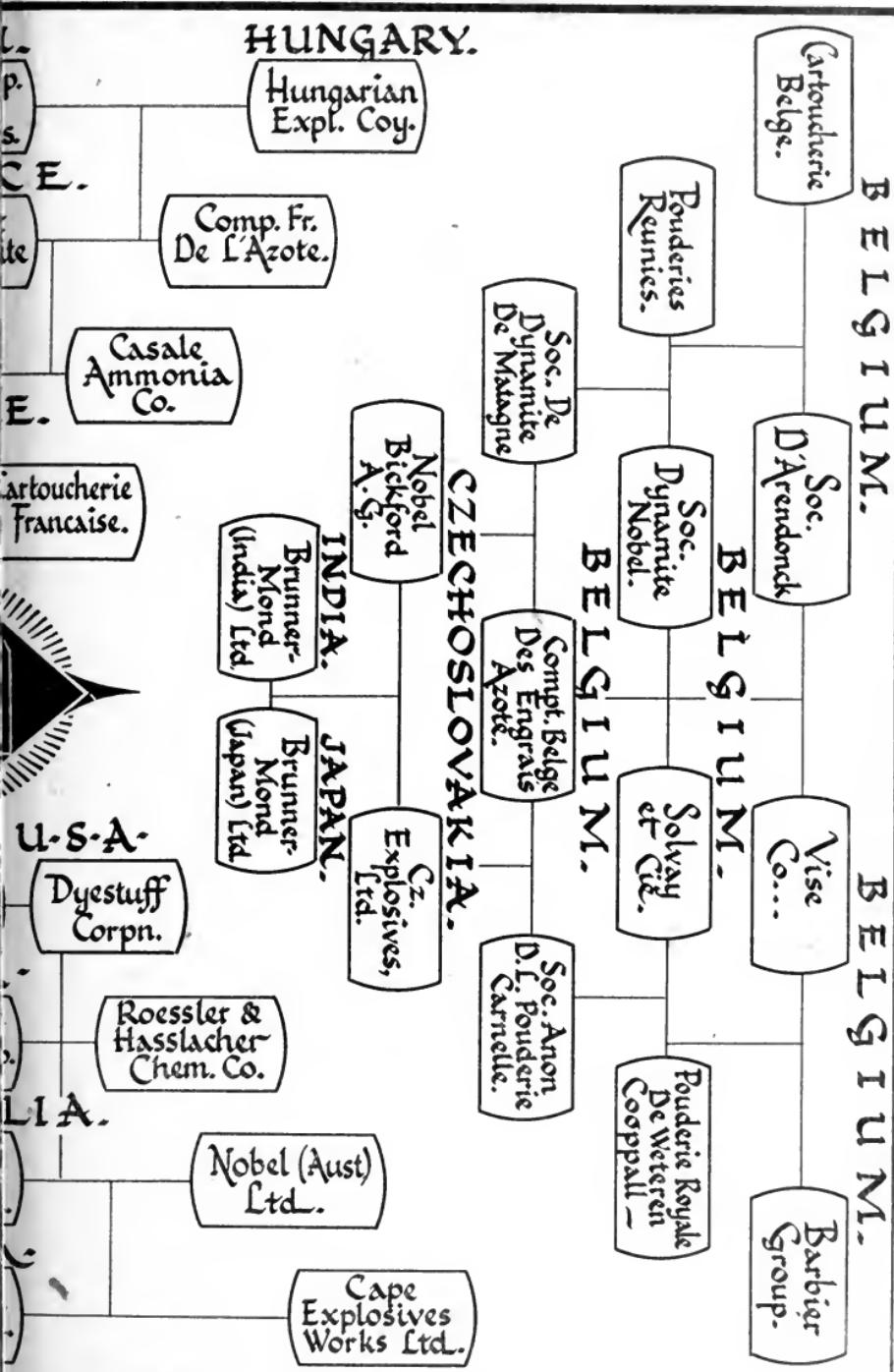
The story of the British conspiracy to prevent the development of alternative supplies of rubber is yet to be told, but it is certain that powerful vested interests with great influence over the Government and with their eyes on post-war competition between synthetic and natural rubber, are responsible for the absence of a plan for meeting present-day needs.

The struggle for synthetic rubber production in this country involves far more than rubber. It involves the question as to whether this country is to become part of the whole advance which for lack of a better term we will call "The Chemical Revolution." It involves the question of whether this country is to go out boldly and definitely to increase its essential supplies to use in a big way the hidden and untapped wealth

# International connections of IMPERIAL C



## INDUSTRIES before the outbreak of war.



of our native land, the priceless coal which is here in abundance and which in the future might prove to be more precious than either diamonds or gold. Organic chemistry holds the key which can unlock from coal countless wonders in the form of synthetics far better than natural rubber, varieties each having properties suited for one or more uses; petrol and oils to replace supplies from far-away lands; plastics to take the place of metals, wood and stone; a new true oil from which entirely new industries and products can arise. In this direction lies the solution of many of our post-war economic problems, and in this direction lies the end for the empire-mongers, the imperialists, and the international financiers.

## II. OIL AND CHEMICALS FROM COAL

The next important development in chemical production must inevitably be the greater and more economic use of the country's potential wealth which is buried in the bowels of the earth in the form of coal and shale. Take a piece of coal, roast it and you get coke, gas and coal tar; boil it and you get an emulsion composed of many ingredients; steam it and you get coke, fats and oils. The latter process which cooks coal by means of superheated steam, converting the smoke and flame-forming materials into oils, wax and phenols, is by far the most successfully known process for the production of oils from coal. An outstanding feature of this method is that the heat put into the steam is so utilised that in its passage from boiler to retort it generates electricity as a by-product at a lower cost than is possible by any known system. This cheap power, if applied in the electro-chemical processes which depend on cheap electrical power, would literally revolutionise this side of the industry, but alas, like many similar inventions and processes, this method, although operated with complete success for two-and-a-half years as an experiment, was deliberately overlooked by vested interests in favour of the I.C.I.'s costly experiment in hydrogenation—a process which engineers and chemists of international repute had declared to be old-fashioned and uneconomical, from which it seems clear that the coal, oil, chemical and

banking interests were determined to prove that the extraction of oils from coal was futile as an economic proposition.

The following extracts from a prospectus dealing with the production of oil from coal based on the "Turner" steam process, refutes the alleged experts:—

**ESTIMATE OF OUTPUT AND PROFITS**  
Based on 1000 tons of coal per day

PRODUCTS	Output per ton of Coal (Minimum)	Output per Day from 1000 tons	Output per Annum (360 Days)	Annual Revenue Ex-Works Price
Smokeless Fuel ...	10 cwts.	500 tons	180,000 tons	£202,500
Motor Spirit				
(aviation St'dard)	6 gals.	6,000 gals.	2,160,000 gals	108,000
Diesel Oil	10 "	10,000 "	3,600,000 "	52,500
Enols ...	4 "	4,000 "	1,440,000 "	21,000
Tax ...	2 "	8 tons	2,880 tons	14,400
Calcium Carbide	—	60	21,600 "	216,000
Gases ...	2,250 c.f. (17 thms.)	2,250,000 c.f. (17,000 thms.)	810,000,000 c.f. 6,120,000 thms.)	45,000
				£659,400

**EXPENDITURE :**

1,000 tons per day—360,000 tons per annum	...	£198,000
Boiler Fuel	...	18,000
Wages, Labour, Materials, Stores, Administration, Rates, Management, Water, etc.	...	114,000
Registered Offices, Consultants	...	7,400
		£337,400
Estimated Annual Profit	...	£322,000

**COST OF PLANT AND CAPITAL OUTLAY :**

Colliery Acquisition ...	...	£60,000
Site Acquisition	...	1,000
Plant	...	400,000
Carbide Plant	...	50,000
Colliery Development	...	30,000
Working Capital	...	100,000

£641,000—all back in two years.

Based on prices existing in 1935.

From this it will be seen that in two years the whole capital expenditure could be paid back out of profits. Despite this fact, however, a combination of vested interests with inter-

national cartels and combines at stake, have been sufficiently powerful to prevent investors and the Government from developing an industry which would add so greatly to the country's mineral supplies.

Recently the Parliamentary and Scientific Committee published a report under the title of "Coal Utilisation Research and the National Economy" in which far-reaching proposals were made for the scientific development of Britain's coal resources in order to give new life to the country's export trade and to offset the inevitable collapse of the mining industry after the war. Briefly, the situation is summarised as follows:—

1. At present only thirty per cent. of the energy from coal is extracted—seventy per cent. being either completely lost or is not fully utilised. This loss is equivalent to 150,000,000 tons of coal a year.
2. Britain pioneered the science of coal-tar chemistry, but, under private monopoly, this lead has been completely lost.
3. Fertilisers for agriculture, dyestuffs, chemical plastics, synthetic rubbers, soaps, lubricants, liquid fuels, aviation spirit, etc., can and should be produced in great quantities out of coal.
4. The world's oil reserves are limited so we should turn increasingly to coal to provide liquid fuels for road, sea and air transport.
5. Time is short. Catastrophic changes in the countries' balance of trade have taken place. In 1913 Britain exported 73,400,110 tons of coal to the value of £50,727,000 and imported 437,000,000 gallons of liquid fuel, valued at £10,856,000. In 1938 coal exports had fallen to 35,860,908 tons, valued at £37,406,000. Our oil imports had risen to 2,640,000,000 gallons, costing £40,718,000. If this state of affairs continues serious economic problems will arise.
6. The smoke nuisance, which costs the nation £50,000,000 can be abolished by producing a new type of heating appliance which could also control the climate in the

homes, factories and offices, and valuable metals such as vanadium could be extracted from the coal ash.

7. A great expansion in research is the first necessity. The country is lagging far behind. America had expanded research thirty-fold since 1920, but in the same period there had been only a five-fold increase in this country.
8. The coal, gas and electrical industries should be called upon immediately to submit proposals for the rapid expansion of research and such schemes should be generously subsidised out of public funds.

While this report brings to the notice of the public valuable information, its complete reliance on private enterprise condemns it to failure at birth, because unless the problem of coal utilisation becomes an issue of common ownership, monopoly capitalism will continue to hold up any revolutionary changes which run counter to their vested interests. The mineowners, the great electrical undertakings and the powerful chemical combines have tremendous capital sunk in the present productive methods. Any change would have to guarantee dividends and recoup their losses by the scrapping of the old methods and plant.

Long before the Parliamentary Committee had completed its report the monopolists had been making their plans to safeguard their economic ascendancy. Indeed, on October 10th, 1941, the "Chemical Trade Journal" published the following announcement:—

"A new private company called C.D. Patents, Ltd., has been formed. It is to enter into an agreement between the British Coal Utilisation Research Association, Imperial Chemical Industries, Powell Duffryn Associated Collieries, Tilmanstone Collieries and Thomas De la Rue. The new company itself to acquire patents relating to the physical disaggregation or other treatments of coal. The subscribers are Mr. John E. James and Mr. Richard A. Lynex."

This apparently innocent announcement becomes very significant when it is remembered that the sole subscribers to this new patent holding company, Mr. James and Mr. Lynex,

happen to be secretary and assistant secretary respectively of Imperial Chemical Industries, Ltd. In the light of what has happened in the past, what hopes can we have of the future under monopoly capitalism so far as coal utilisation is concerned?

#### 12. END THE DARK TOIL OF THE MINERS

A hundred thousand workers are employed in extracting gas from coal. Thousands of miners spend their working lives in the dark dungeons of the pits digging out the coal for domestic gas. The existing methods of generating light, power and heat are obsolete and wasteful in the extreme. The dark dangerous toil of the miners for this purpose is unnecessary. Coal can be gasified and its valuable products drawn off and stored in huge gasometers at the pit-heads without the need for extensive underground work by the following methods: (a) sinking a steel shaft and breaking the coal seams by delayed explosions, setting fire to the coal underground, sinking a second shaft and controlling the fire by means of compressed air, blowing the gases and smoke through the second shaft into gasometers at the surface, and refining the gas for domestic use; (b) operating the same method and establishing in addition coal by-product plants to absorb surplus labour into chemical production. These methods may seem utopian in Britain to-day, but by means of this process one plant in the Soviet Union was able to produce three hundred million cubic feet of gas in 18 months at a quarter of the cost of the old method; but in the Soviet Union there are no bankers, coal owners, oil speculators and no I.C.I.

#### 13. MONOPOLY ENRICHES THE RICH AND IMPOVERISHES THE POOR

It will be seen from this brief summary of the structure of the chemical industry that the underlying feature is the complete domination of the industry by a few powerful monopolies. In its early stage each of these monopolies contributed greatly to the technical advance of the industry and thus increased the volume of essential supplies, but to-day,

despite the effects of total war, their whole policy tends to the opposite direction—in the direction of limitation and the restriction of production and supplies. In order to maintain its profits, monopoly capitalism is compelled increasingly to restrict output so as to maintain high prices.

It is not only we Socialists who are critical of monopolies. One of the most timely exposures is the recently-published report of the Temporary National Economic Committee (T.N.E.C.) which reviews the effects of monopoly on American industry. Here we have space for but a brief summary of its indictment, which states that monopoly—

- (a) causes an uneconomic allocation of productive resources;
- (b) affords the consumer no protection against extortion;
- (c) inflicts no penalty on inefficiency;
- (d) may engage in research and invent new materials, metals, processes and machines, but is reluctant to make use of these inventions if they involve the scrapping of existing equipment or if the ultimate profitability is in doubt;
- (e) prevents the full utilisation of productive capacity;
- (f) impedes the raising of the general plane of living and makes the total output of goods and services smaller than it otherwise would be;
- (g) contributes to inequality in the distribution of income;
- (h) is a perfect mechanism for making the rich richer and the poor poorer.

#### 14. ·LARGE SCALE PRODUCTION COMES TO STAY

It is well to remember that this indictment against monopoly capitalism comes from capitalist sources, which by means of special investigations can prove all their charges. Whilst this criticism is true of all monopolies to-day, it is possibly more true of the chemical industry than of any other. The whole tendency in recent years has been towards the concentration of control in fewer and fewer hands with the smaller industrialists being driven in still greater numbers into deeds of arrangement, liquidation and bankruptcy.

We Socialists do not agree with those who campaign for a reversion to small-scale localised methods of production. Large-scale production has come to stay. The evil to-day is that concentration under private ownership makes the end and aim of chemical production the creation of profits for a few at the expense of the toilers who produce chemical wealth and the consumers who purchase the finished commodity.

In their pursuit of profits the chemical monopolists are compelled to reach out beyond national boundaries, extending monopoly control on an international front by means of world-wide cartel agreements, and there is abundant evidence to prove that all the major industrial powers have for years been parties to such agreements which, as far as is possible, are maintained during war-time and, where this is not practicable, are merely suspended for the duration to be immediately resumed in a post-war capitalist era.

In Germany the monopoly capitalists supported Hitler against the working class and the progressive middle classes. In Britain and the United States the Chemical Trusts found no difficulty in working with the Nazi State monopolies which were being used to wage world-wide economic war, whilst preparing for military campaigns. Cartel agreements and patent pools were the means by which the monopolists hoped to maintain their profits and power. These agreements were used to protect vested interests and restrict the production of vital light metals, synthetics and plastics in their own countries but gave unlimited scope to the Nazi industrialists.

#### 15. THE MERCHANTS OF DEATH

For example, the United States Department of Justice, during an investigation, and reported in June, 1942, discovered 162 such agreements between American Oil and Chemical Corporations and the German Chemical Monopoly I.G. Farbenindustrie. These agreements definitely restricted the production of drugs, dyestuffs, synthetic rubber and a whole range of vital war materials. It was proved during this enquiry that these cartel agreements, besides involving American firms, were also signed by British, French and

Japanese chemical monopolies. One agreement between the American firm of Rohm and Haas (a subsidiary of Duponts) actually provided for the setting aside of royalties on British and American military orders for post-war payments to the German interests, whilst in October, 1939, the official in charge of an agreement between Standard Oil Co., of New Jersey, and German Farbenindustrie, wrote a letter from which the following is an extract:—

*“They (I.G. Farbenindustrie) delivered to me assignments of some 2,000 foreign patents and we did our best to work out complete plans for a modus vivendi arrangement for working together which would operate through the terms of the war whether or not the U.S.A. came in. . . .”*

A further example of secret arrangements between monopoly interests in Allied and Axis nations is the following cable which an official of the same company (Standard Oil) sent to the company's agents in Japan on September 11th, 1939:—*“We fear United States Government in near future may have ground for action unfavourable to American-Japanese trade. We consider timely for us to organise with Japanese partners whose influence would be valuable later towards re-establishments after interruption of trade.”*

As we have already seen, this same Company—Standard Oil—refused to co-operate with the American Government's scheme for the production of synthetic rubber by withholding its secret Butyl rubber formula, although it had made this process available to the German industrialists and gave them a monopoly control of the secret processes for producing synthetic rubber from coal. Indeed, after America's entry into the war they continued to mislead the Government by falsely denying that Butyl was the best and cheapest of all the rubber substitutes. It misled Government investigators with the excuse that Butyl rubber was “still in the experimental stage and too costly,” even though the Government actually had in its possession Standard Oil's own private documentary evidence to show that Butyl was superior in many respects to natural rubber and the company's own production reports, taken from Standard Oil's secret files, showed that it cost only

3d. per lb. as compared with 11d. per lb.—the cost of natural rubber.

In 1939 Standard Oil signed an agreement with certain British interests which included the reporting to the American company of details concerning secret British processes for the production of synthetic oils and petrol. This information was then passed on to the Nazis via German Farbenindustrie as late as March 18th, 1940. These facts have been definitely established by American Government investigators.

Another agreement between General Electric and Krupps, the German Steel and Munitions Trust, was actually extended after the commencement of hostilities. A special clause was inserted in this agreement fixing the date for its termination as 1950, and joint provisions were made for the sharing of profits between the German, British and American partners. According to documentary evidence produced by the U.S.A. Department of Justice, by means of this agreement General Electrical Company had curtailed the production of tungsten carbide in the U.S.A. to 5% of the production in Nazi Germany. Next to diamonds, tungsten carbide is the hardest substance known and its use in the German engineering industry as a cutting edge in place of steel, had increased the rate of certain engineering operations by 500%. By agreement with Germany, General Electric had fixed a prohibitive price on this vital substance of 453 dollars a lb.—although the cost of production was only 25 dollars a lb.

## 16. DOING BUSINESS WITH HITLER

Another example was the case of the Remington Arms Company — another subsidiary of Duponts which is closely linked with British I.C.I. This firm had a patent pooling arrangement with Imperial Chemical Industries and German Farbenindustrie which included an arrangement for the paying of royalties to German interests on munitions sold to British and U.S. Governments during the present war. This arrangement, however, went further. It was responsible for withholding the use of tetracene (a smokeless non-corrosive combustion initiator for priming ammunition) to the British

Purchasing Commission in America. Indeed, seventeen months after the commencement of hostilities the Attorney, employed by the firm of Remingtons, wrote a letter warning the A.C. Spark Plug Co. that it could not use tetracene for ammunition sold to the British Government or any of the countries of the British Empire because of the cartel agreement with British I.C.I. and German I.G. Farbenindustrie. During the investigations Remingtons defended their position on the grounds that British I.C.I. had been responsible for the anti-British clause in the agreement.

The most recent case was the prosecution in the United States, under the Anti-Trust Act,\* of Duponts De Nemours & Co., Standard Oil Co., of New Jersey, American Cyanimid and Chemical Corporation, and eighteen other companies, together with 65 of their officials by the United States Department of Justice for "*engaging in a world-wide conspiracy to suppress competition and monopolise the manufacture and sales of acrylic products.*" It was charged that the above firms "*conspired with I.G. Farbenindustrie of Germany and the Imperial Chemical Industries of London in cartel to fix exorbitant prices, restrict production and divide world markets.*"

The indictment, drafted by a Federal Grand Jury, states that the products concerned are "among the most important plastic materials, having a wide industrial application and are used for such things as transparent bomber noses, cockpit closures and gun turrets of all military planes manufactured in the United States."

On October 1st, 1942, however, under pressure from Army and Navy Departments, the prosecution was postponed until after the war.

As recently as July, 1943, the United States Special Assistant Attorney-General, Thomas Clark, charged three leading

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\*This Act, known as the Sherman Anti-Trust Act, was passed in 1890 to protect trade and commerce against unlawful restraints and monopolies. It declares illegal any conspiracy in restraint of trade among States of the American Union or with foreign nations and provides penalties in fines or imprisonment or both. No such law exists in Britain.

chemical companies with conspiring with foreign interests to "divide the world into non-competitive areas to suppress competition by the pooling of patents and to impose a system of restricted production."

This indictment declares that American companies conspired with British, German, Italian and Japanese interests in the creation of a world-wide cartel to monopolise the production and supplies of strategic war materials. Mr. Clark declared that "the cartels are not dead, but planning to continue their activities now and after the war."

Three British companies are named in the charges, viz., Goodlass Wall and Lead Industries, Ltd., The Imperial Smelting Corporation, Ltd., and the Imperial Chemical Industries, Ltd. Their co-partners, according to the indictment, were German Farbenindustrie, Italy's Montacatini and Japan's Kokusan Kogyu Kahushihi. The debates which ensued in both the House of Commons and the House of Lords following this exposure completely failed to refute the allegation that British I.C.I. was part of a mammoth world-wide chemical octopus and, further, that I.C.I.'s connection with German and Japanese interests had not been terminated, but merely suspended for the duration of the war, nor was the suspicion completely allayed that at least one subsidiary company of British I.C.I. was laying aside a percentage of profits to be paid after the war to the German dye monopoly.

The above facts, which are but a few of the many hundreds of similar agreements, prove that the merchants of death in Britain, America, France, Germany and Japan, whilst making huge profits out of war contracts in their own countries, continue to do profitable business across the battlefields of the world. To them the present conflict is merely a temporary interruption in their plunder of the world, but their international relationships are maintained behind the scenes and they hope to resume these publicly immediately peace is signed. Irrespective of which side is victorious, they look at the world as a vast hunting-ground for the enrichment of a few by the exploitation of the many.

## 17. INCENDIARY BOMBS AND POISON GAS FROM SEA WATER

One of the most common elements which form the crust of the earth's surface is magnesium. This is a substance which is easily combined with any more aggressive element. This peculiarity makes magnesium of great value in warfare. It is used in the manufacture of incendiary bombs, tracer bullets, star shells and flares. In powder form or in shavings it ignites very quickly, creating an almost unquenchable blue-white flame, yet in solid form, as an alloy, it cannot be ignited even with the use of a blow-lamp. Lighter than aluminium and as tough as steel it is a valuable metal which can be of great service to mankind. For example, 180lbs. of magnesium alloy to-day goes into the making of a typical aeroplane engine, which previously required 270lbs. of aluminium. Thus in a four-engined plane the saving in weight is 360lbs., equivalent to two extra passengers or 360 extra lbs. of goods or petrol. In war-time, alas, it means 360lbs. extra of bombs.

## 18. A CONSPIRACY EXPOSED

Magnesium supplies were first imported by the nations of the world from Germany, where it was a by-product of the potash industry. For many years magnesium was known to be a vitally important metal, but its production in Britain and the U.S.A. was deliberately restricted by means of cartel agreements with the German Chemical Trust of I.G. Farben-industrie. This international conspiracy to restrict the production of a vital metal was exposed before the United States Senate's Patent Committee on April 23rd, 1942, by the Assistant Attorney-General, who was able to prove that this agreement enabled British, American, German, French and Swiss aluminium interests to drastically limit the world's production of magnesium so as to maintain high prices and prevent its development as a competitor to aluminium. It was proved that the U.S.A. partners to the agreement had restricted themselves not to produce above 8,000,000lbs. per year without Germany's consent, although the basic patent was American and not German. They also agreed to limit

their shipments to Britain to 300,000lbs. a year, and in pre-war years to ship 50% of their production to Nazi Germany at a price one-third below that charged in both America and Britain. The methods adopted by the international conspirators was to organise a world trust and by careful manipulations, to buy up all surplus stocks in the world's markets and then to create a rigid price-fixing system. Every three months these merchants of death assembled to fix what they called a "buying price" which they paid for all unsold stocks for the quarter of the year. This fixed price then became the world's price, which was varied according to its uses. This explains the lower price charged to Nazi Germany, as the German supplies were being used for military purposes, and they claimed that they were thus taking it off the market, as once it was embodied in armaments its function was at an end, but countries like Britain and America, using magnesium for peace-time purposes, were charged a higher price. This Trust maintained magnesium for peace purposes at such a high price as to discourage its use as a competitor to aluminium. From time to time the ring determined how much aluminium and magnesium each country should produce or receive, and the world production was so apportioned that Britain had to depend on the German I.G. Farben-industrie for its magnesium supplies. It was not until a Messerschmidt was shot down over England and examined by experts that the full extent of German production of magnesium was discovered and the real effect of the cartel agreement on British and American production exposed. But whilst the American conspirators, the Dow Chemical Company and the Aluminium Company of America, were heavily fined on a criminal indictment, the British associates still remain unpunished and the law of criminal libel makes their exposure a dangerous undertaking.

#### 19. A NEW SCANDAL BEGINS TO UNFOLD

After officially establishing the misconduct of the American Aluminium Combine, the United States Government took steps to control the company's activities, and the State-owned

Metal Reserve Committee negotiated an agreement with Aluminium, Ltd. of Canada to supply 350,000 tons of metal. The sum of 68,500,000 dollars was advanced, free of interest, to be paid back in aluminium. This money was to be used for plant construction and the building of a huge power station in the wilds of the State of Quebec.

Behind this exceptionally favourable financial arrangement a new scandal begins to unfold, for there is now no doubt that this arrangement only became possible because the Canadian Government, through its Minister in Washington, Mr. Leighton McCarthy, a former Vice-President of Aluminium, Ltd. of Canada, took part in the negotiations. Apparently the whole cost of building this new great light metal project, controlled by private interests, is being met solely out of public funds supplied by the American, British, Australian and Canadian Governments. It is now disclosed, under pressure, that the British Government have loaned £10,000,000 to this private company, under conditions, it is alleged, which mean that the debt will never be repaid. The Australian Government have loaned £1,000,000 and the Government of Canada have contributed over £30,000,000 by means of direct loans and reduced taxation.

This extraordinary story becomes more startling when we know that Aluminium, Ltd. of Canada is a subsidiary of the American Aluminium Company and is a part of one of the tightest industrial monopolies in the world. Prior to the declaration of war this Canadian company, as part of a world organisation, controlled subsidiaries operating in Britain (Northern Aluminium Co.—capital £1,500,000), Italy, Norway, Sweden, Germany, Holland, Switzerland, India, China and Japan, and owned extensive concessions in British Guiana. A former director and Vice-President of this company is Ludwig Braasch of Berlin, who sat along with Leighton McCarthy and J. O. Morgan, junr. (Wall Street banker). That millions of public money should be granted under such favourable conditions to this private monopoly, whose sinister influences were responsible for the holding up of the production of vital

light metals, is a matter which, at the very least, merits immediate and searching enquiries.

Magnesium to-day can be produced in plentiful supply from the sea-water which surrounds our shores by means of an electro-chemical process. It can also be produced from sea-shells, which are burnt into lime, mixed with sea-water to make magnesium hydrate—after treatment with acid it becomes magnesium chloride, which is melted and powerful electric currents used to separate the magnesium from the chloride. It is then ready for casting into ingots or powdered into incendiary materials. The chloride, after being drawn off, becomes the basis for mustard gas, so corrosive that a few whiffs are fatal. Thus chemical science used in the devil's business of war is able to extract from the sea two elements of destruction, both of which could be of great benefit serving the peaceful purposes of mankind.

## 20. CHEMICAL WARFARE

The human race lives at the base of a mighty ocean of air which is from seven to eight miles deep. This air consists of oxygen and nitrogen. Without these two essential elements human life on this planet would be impossible. What is not generally known, however, is the fact that without fixed nitrogen in great quantities the nations of the world could not wage warfare on the gigantic scale on which it is now being enacted. Even since the invention of gunpowder, fixed nitrogen has been used by man in all explosive substances—thus nitrogen, the major part of the air we breathe, serving to tone down oxygen the breath of life, is to-day snatched out of the atmosphere by man's ingenuity and made to serve an alien purpose—the hurling of death, mutilation and ruin among the warring sections of the human race. But the chemists cannot be reproached for this retrograde development because nitro-cellulose was first applied for the healing of wounds and for the advance of photography. From these peaceful purposes it was diverted to make explosives for the loading of bombs, shells and torpedoes.

## 21. THE PROSTITUTION OF SCIENCE

Prior to the first world war of 1914-18 the main source of fixed nitrogen was nitrates from Chile. German chemists, however, were successful in developing methods for the fixation of atmospheric nitrogen, and from that day on every state in the world has established huge fixation plants in preparation for the great and terrible conflict which now engulfs the world.

It is a sad commentary on Capitalist civilisation to know that the painstaking, lifelong research of the chemists and scientists on the nitrogen fixation process was aimed at the mass production, not of explosives, but of ammonium nitrate for fertilisation purposes so as to guarantee a plentiful supply of wheat and grain for the world's future generations.

## 22. CHURCHILL PROPHESIES THE USE OF POISON GAS IN 194—?

Up to the moment of writing, poison gas, bacteria, microbe and plague warfare has not broken on the warring nations, but it must always be considered as a possible desperate throw on the part of any of the nations involved. In his book, "The World Crisis," Winston Churchill wrote as follows: "All that happened in four years of the great war was only a prelude to what was preparing for the fifth year. . . . The campaign of 1919 would have witnessed an immense ascension of the power of destruction. . . . Thousands of aeroplanes would have shattered their cities, poison gas of incredible malignity would have stifled all resistance and paralysed all life. . . . The campaign of 1919 was never fought, but its ideas go marching along and should war come again to the world it is not with the weapons and agencies prepared for 1919 that it will be fought but with developments and extensions of those which will be incomparably more formidable and fatal." ("World Crisis," Section "The Aftermath.")

## 23. MILLIONS SPENT ON POISON GAS MANUFACTURE

As a great Government plant in the U.S.A., which cost £9,000,000 to build, 1,400 tons of poison gas has been kept in stock for many years. This plant alone has a capacity for

the production of 800 tons of Lewisite gas per day.\* In Britain the same story can be told. In Soviet Russia for many years now they have built up a powerful trained organisation to deal with what they considered was the inevitable menace of poison gas warfare.

In Germany the production of poison gases and poison dust and smoke clouds has gone on apace since Hitler came to power, and every German regiment has a section trained for the purposes of poison-gas assault and defence. The spraying of Abyssinian natives with mustard gas by Italian airmen is already a historical fact.

#### 24. JAPAN USES POISON GAS IN CHINA

The following despatch from the Fukien Front (China) published in the press August 18th, 1942, confirms the recent use of poison gas by Japan in its war on China.

From Peter Burchett's despatch August 18th, 1942:—

"A Japanese officer stated that each regiment in the campaign covering the Fukien Province is equipped with three types of gas—tear, sneezing and asphyxiant—distributed by means of trench mortars, shells, hand grenades and hand-thrown cylinders. Each artillery unit of 26 men carries 50 shells of which 10 are filled with gas. The conditions deciding the use of gas, according to this officer are 'whenever the emergency arises and the weather is favourable.' Chinese officers have reported that gas dropped at Chuksien made faces swell, inflamed the glands beneath the ears, caused the hands to jerk spasmodically, producing extreme vomiting. Another report states that gas shells sometimes completely paralysed the men long enough for successful enemy attack."

#### 25. POISON GAS CASUALTIES IN THE FIRST WORLD WAR

Despite all the statements to the contrary, poison gas, used only infrequently in the war of 1914-18, proved itself to be

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\* in June, 1943, the U.S. House of Representatives approved a supply Budget which included the expenditure of a sum of £288,000,000 for poison gas and chemical warfare.

a terrible and formidable weapon. For example, the town of Armentières was bombarded with mustard gas shells during July 28th and 29th, 1918, and 12% of the population were killed. The effects of the first German gas attack on the British lines resulted in only 2,000 Canadians being left alive out of 12,000. In 1915 a gas attack on the Russian Front killed 6,000 and severely gassed 3,100. On October 17th, 1916, 6,000 Cossacks and their horses were killed by gas. Casualties in the British Army alone from gas artillery shells were estimated at 170,000.\*

## 26. THE FRIGHTFULNESS OF GAS WARFARE

The following is an eye-witness account of an English padre of the first gas attack in 1915 and published in a book "Chemical Warfare," printed in 1921 in U.S.A.:—

"The French have broken—we could hardly believe our eyes. The story they told us we couldn't believe; we put it down to their terror-stricken imagination. A greyish-green cloud had swept down on them, turning yellow as it travelled over the country, blasting everything it touched, shrivelling up all vegetation. No human courage could face such a peril. Then there staggered into our midst hundreds of French soldiers, blinded, coughing, chests heaving, faces an ugly purple colour, lips speechless with agony. Behind them in gas-choked trenches they had left hundreds of dead and dying comrades. The impossible was only too true. It was the most fiendish, wicked thing I have ever seen."

Major Endries, in a German book, "Chemical Warfare," describes a combined air attack on the city of Dusseldorf in the last war as follows:

"Light bombing squadrons arrive quickly in the darkness. They drop on the largest and most important factories now working on the night shift—bombs filled with 'white phosphorus.' A torrent of inextinguishable flames overwhelm

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\* Above information from: (1) Official History of the War (Medical Services), 1924. Vol. II. Page 294. (2) Journal of Industrial and Engineering Chemistry, 1919. Page 829.

the buildings. Workmen attempt panic-stricken escapes to the cellars. The population, more panic-stricken, flies underground. The raiding planes wireless to H.Q. 'successful raid' and calls for second raiding party. These arrive loaded with light gas bombs, spreading first an irritant gas that can pierce through masks, followed by a second and stronger gas which kills the populace as it flees from the underground cellars made uninhabitable by the first gas. Every two or three hours similar attacks are repeated on different parts of the town until everything is enveloped in flames, and clouds of poison gas mark the place where before hundreds of thousands of human beings lived and moved."

Lord Halsbury, formerly assistant inspector of high explosives, made the following statement in 1928:—

"Mustard gas is the most deadly known gas. In an area, say, Richmond to Barking and Finsbury to Streatham, an effective dose would be only 42 tons. In twelve hours every man, woman and child in that area might fail to live."

Space does not allow of an exhaustive study of this subject; sufficient it is to quote the following extract from Professor J. B. Haldane's book "Calinicus" on sternutator gases. Of one, "Diphenyl-Chlorarsine," he writes:—

"The symptoms of sternutator gases are most curious. They cause victims to have pains in the head and chest—the head pains being like that caused when fresh water gets into the nose, but infinitely more severe. These symptoms are accompanied by the most appalling distress and mental misery. Soldiers poisoned by these substances have to be prevented from committing suicide—others went raving mad and tried to burrow into the ground to escape from imaginary pursuers."

We have given sufficient evidence to prove the horrible consequences in store for the human race if the present conflict is allowed to go on gathering momentum until it is completely out of hand. The horrors of poison gas warfare, of the use of bacteria, of the spreading of plagues, of the use of rats inoculated with infectious diseases, of poisoned dust and smoke clouds engulfing the countrysides of Europe are all

possible and indeed probable unless the common peoples of Europe and the world uproot the power of the military men and bring the war to an early close by political and industrial action organised for the establishment of lasting peace through Socialism.

(I am indebted to Councillor A. J. Gillian, General Secretary, Chemical Workers' Union, for some of the facts published in this chapter, and have drawn freely from his pamphlet, "Chemical Warfare and the Civilian Population.")

## 27. RACE SUICIDE OR A SOCIALIST WORLD?

In the preceding pages we have dealt only with facts and have erred on the side of moderation rather than exaggeration, so perhaps the reader will forgive a slight excursion into the realms of possible extensions in the technique of scientific destruction. In Germany, the U.S.A. and, to a lesser degree, in Britain, thousands of leading scientists are concentrating in an effort to solve the problem of the effective use of atomic power as a destructive weapon in the present or future wars.

The search for Uranium 235, from which this power is derived, opens up the possibilities of such devastating frightfulness and destruction that human imagination could not fully grasp the actuality from the use of a single bomb produced from uranium atomic energy. Sufficient it is to state that, according to the scientists who are conducting this research, one pound of this substance would have a destructive power equal to a thousand of the largest bombs so far used in the present conflict. One small uranium bomb exploding in the centre of London, Berlin, Tokio, or New York, would literally destroy the whole city. One bomb released over a convoy of ships would blast and sink every vessel afloat for miles around. The discovery of the actual possibilities of uranium is, in itself, one of the outstanding achievements in the annals of chemical science. It gives the promise of a new civilisation based on unlimited power which gives mankind stored-up energy capable of guaranteeing abundant supplies of all the material requirements of a happy life. It heralds the coming of a new Garden of Eden

out of which the serpents of poverty, scarcity and insecurity have been banished for all time, but if its tremendous destructive power is made available for war, it will lead to the destruction of all culture—it will mean race suicide and will turn the world into smoking ruins and usher in the new Dark Ages.

## 28. SOCIALISE THE CHEMICAL INDUSTRY

The Chemical Industry is not essentially a munitions industry. Enormous quantities of chemicals are needed in peace-time. Indeed, chemical substances are used in every basic industry and, directly or indirectly, for every article of present-day use, yet little has been known or written of this vitally important industry. Indeed, the great chemical monopolies have made it their business to keep information away from the public. For thirty years they have maintained a violent hostility to the Chemical Workers' Union because this was the one organisation of the workers which challenged their vested interests and dared to open the book of mystery and expose the menace of the chemical octopus in both peace and war.

Coal, salt, sulphur, air and water are the basic materials needed for the manufacture of most chemical compounds necessary to mankind to-day. The future of industry, of medicine and of agriculture of this nation and of the world, depends on freeing these five materials from the dead hand of capitalist profit-making and control and placing them at the disposal of the people through socialisation.

The old order of free trade is over. Tariffs, as a policy, failed to meet the new situation—a situation in which each nation strives as far as possible to achieve local self-sufficiency. Germany made a religion of it and called it National Socialism, but from the first it was doomed to failure because it was based on dictatorship, violence and the retention of private profit-making for a chosen Nazi few. Nevertheless, the Governments of the world have been compelled by events to take out of the hands of the business men the control of

exports and imports. In the near future the common people will be compelled, by economic necessity, to emancipate an expanding chemical industry from the shackles of private ownership so as to free chemical research and production for the leading rôle it must play in developing the natural resources of each country and the world.

## 29. SOCIALIST POSSIBILITIES

When that day comes, as come it will, this industry under Socialist control would be able to:—

- (1) Increase enormously essential material supplies.
- (2) Give the chemists and scientists their first opportunity of using creative skill.
- (3) Make possible large-scale chemical research and control all new patents, discoveries and processes for the benefit of the people and not in the interests of a few.
- (4) Make this country almost independent of Empire resources by developing a self-contained organic chemical industry capable of producing all our needs of synthetics, such as petrol, oils, rubber, rayon, drugs, plastics, etc.
- (5) Enrich British agriculture out of all proportion to present-day supplies by scientific chemical fertilisation.
- (6) Improve the conditions and shorten the hours of chemical workers, making the industry fit for their children to enter and giving the workers, both technical and operative, a voice in the control of the industry on behalf of the nation.

If this policy were applied on a European and international scale, economic conflicts and their resultant imperialist wars for natural resources and world markets would be laughed out of court as a thing of the past, and humanity, for the first time in human history, would be in a position to live in dignity, enjoying the full fruits of industrial and scientific progress.

From "Sunday Reading," *Glasgow Forward*

"'War on the People,' by Bob Edwards, should be read and distributed as widely as possible. I gave my review copy to a Glasgow Tory and the following day he returned it and said: 'My God, where can I buy some of these?'"

From *Cavalcade*

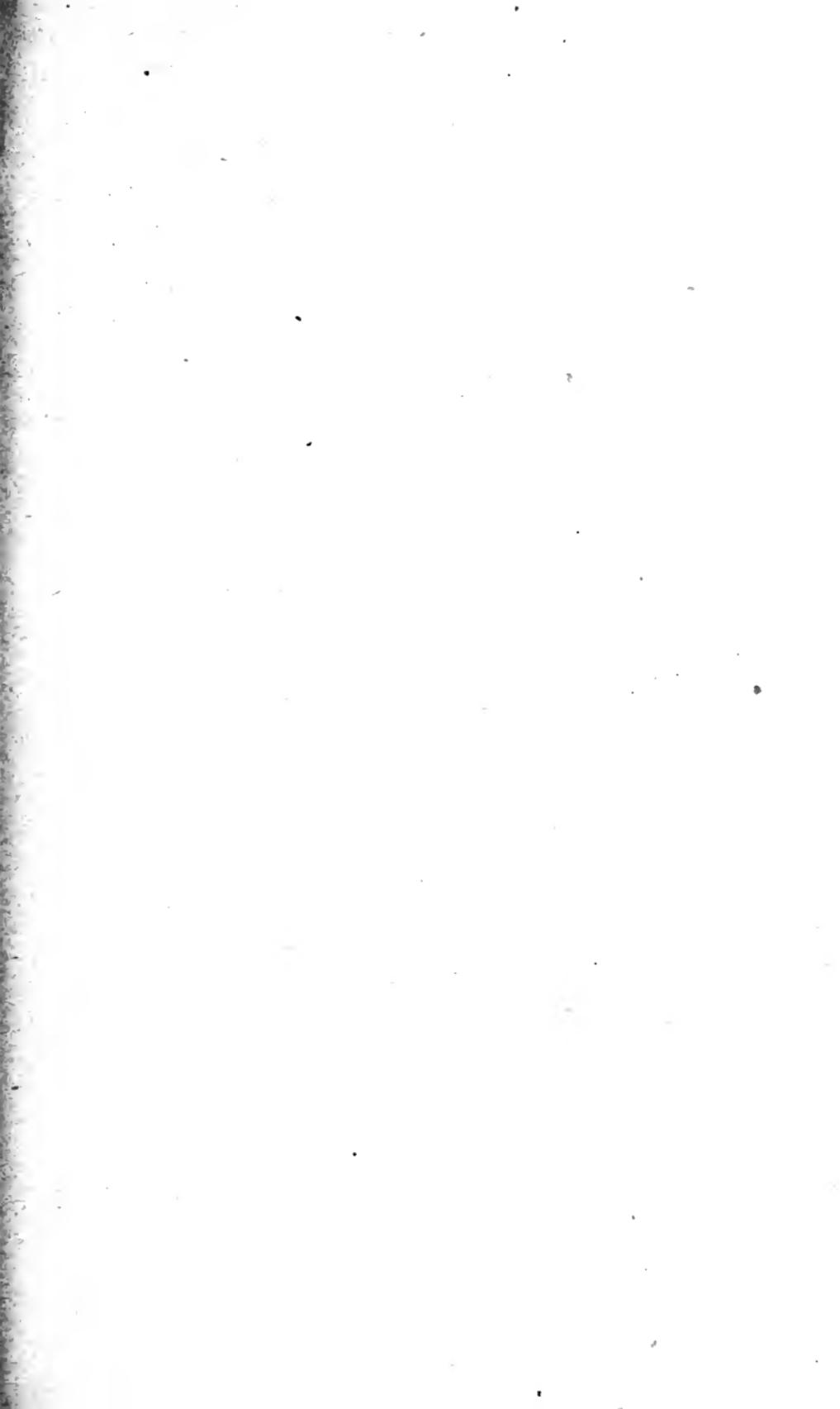
"That Big Business, whether chemical or otherwise, may remain impervious to ethical considerations, provides one of the cardinal reasons for the socialisation of monopolies, and on this subject Mr. Edwards states a powerful case in demanding nationalisation."

From *The Catholic Herald*

"We have just read an attractively written and produced book. It is called 'War on the People' and is concerned with the chemical industry in this country and the world. The author, Bob Edwards, manifestly knows his subject. He describes very vividly the tremendous potentialities of modern chemistry in the industrial field—potentialities already partially realised under the stimulus of war... We do not suppose that his brief presentation reflects the whole story by any means... but we think he says and proves enough to make the case that such power should not be in the hands of a small number of exceedingly wealthy men."

From *The New Leader*

"The sensational exposure of the way in which British and American Big Business helped Fascism and ignored the interests of the people—first made by Bob Edwards in his booklet 'War on the People' has now been confirmed by Henry A Wallace, Vice-President of the U.S.A., in a speech in Chicago last week."









# WAR ON THE PEOPLE

By Bob Edwards

*An Exposure  
of the Chemical  
Kings and their  
Nazi Associates*

Price - - - 3d.

## THE AUTHOR

**B**OB EDWARDS, whilst still in his thirties, has crowded into his life experiences which fall to the lot of only a few. A leading official of the Chemical Workers' Union, he is recognised on the workers' side as one of the most able negotiators. He is Chairman of the Independent Labour Party, has been a member of its National Council since 1936, and has contested two Parliamentary by-elections as the candidate of the Party. He is also an ex-Councillor of the City of Liverpool.



During the Spanish Civil War he was leader of the I.L.P. Contingent in Spain and served as a Captain in the International Militia which fought on the Republican side on the Aragon Front.

He has travelled extensively in many parts of the world, including visits to the Soviet Union, where he met most of the leading officials, including Stalin, Molotov, Bela Kun and the late Leon Trotsky, and made a study of industrial undertakings there, including the more modern chemical plants.

He has lectured in the U.S.A. on World Labour Co-operation, and during his visit interviewed President Roosevelt, John L. Lewis, and many other leading American industrial leaders. He also took an active part in a campaign of the Congress of Industrial Organisations, which to-day embraces six million workers within the modern Industrial Unions of the C.I.O.

He edits "American News" for the "New Leader" and is the author of a number of modest publications dealing with Labour questions in Britain, the U.S.A. and Soviet Russia.

## PREFACE TO THIRD EDITION

**S**INCE the publication of the first edition of this pamphlet a United States Federal Grand Jury has charged three leading chemical companies with conspiring with foreign interests to divide the world into non-competitive areas, to suppress competition through the pooling of patents and to impose a system of restricted production. The indictment declares that three American companies conspired with British, German, Italian and Japanese interests in the creation of a world-wide cartel to monopolise the production and supplies of strategic war materials. The Assistant Attorney-General in charge of the case declared that "*the cartels are not dead, but planning to continue their activities now and after the war.*" (June 28th, 1943.)

Three British Combines are named in the charges, viz., Goodlass Wall and Lead Industries, Ltd., The Imperial Smelting Corporation Ltd., and the Imperial Chemical Industries (I.C.I.).

This item of news, whilst creating a sensation in the national newspapers, came as no surprise to readers of the publications of the I.L.P., or to readers of the earlier editions of this pamphlet. Lord McGowan, however, Chairman of the I.C.I., has declared that his company are not a party to any such conspiracy, but we are confident that there exists abundant evidence to merit a public enquiry into the international ramifications of the British chemical combines and their patents' pooling arrangements. Our opinion seems to be held in high quarters, as we understand, at the moment of writing these lines, that the whole question is going to be raised in the House of Lords. Lord McGowan was a director of American General Motors, which is the financial holding company for a number of the chemical firms mentioned in the indictment. If he still is a director of this company it is quite apparent that he is at the very least indirectly involved.

This most recent case of the operations of the merchants of death underlines the dire necessity for the public ownership and control of the chemical combines. Indeed, the purpose of this pamphlet is to show the social importance of the toil of chemical workers, both technical and operative, and prove the need for Socialisation, to expose the national and international ramifications of the big combines and prepare public opinion for such a step.

If this pamphlet has assisted but a little in this connection, the author is well satisfied, for that is his fervent desire.

BOB EDWARDS.

# THE CHEMICAL KINGS

WE are living in a chemical age. Without the toil of the chemical process worker, life, as it is lived to-day would be impossible. The clothes, the boots and shoes we wear, the food we eat, the radio and electrical appliances in our homes, the books we read, the paper and the printers' ink which make this modest pamphlet possible—all rely on chemicals. Indeed, the chemical industry to-day is the keystone of all basic industries. Its products make possible the mining of coals and ores, the manufacture of iron, steel, rubber, glass, textiles, soap, art silk, leather, paper and all printing. Chemical compounds, based on one mineral—coal, are responsible for thousands of products ranging from explosives, dyes, drugs and anti-septics to poison gas and anaesthetics.

For years this industry, which has never known slump, has been shrouded in mystery. Simple chemical processes were guarded as secret formulas and the mumbo-jumbo of technical phraseology and chemical shorthand created the idea in the mind of the layman that chemistry was something beyond the understanding of the average person—a modern black magic.

## I. THE NEW GOLD RUSH

There was good reason for the hush-hush policy. There was money in chemicals—big money. Out of coal, sand, lime, air, water and waste matters, with very little capital expenditure, great fortunes were being made by a few, whilst the chemical workers, whose toil and industrial intelligence made this wealth possible, were treated like lost souls in Hades, spending their working lives in the dangerous health-destroying atmosphere of the vats, stills and furnaces of the chemical plants, processing valuable dyes, solvents and acids which not merely destroyed their boots and clothes, but in many cases damaged their lungs, making them old years before their time.

The following examples of recent profits give a further insight into just how profitable chemicals can be:—

	1940.	1941.
I.C.I. ... ... ... ...	£6,756,000	£6,130,000
Courtaulds ... ... ... ...	£3,291,292	£4,227,507
Beechams Pills, Ltd. ... ...	£1,085,531	£1,175,215
Boots Pure Drugs ... ...	£629,111	£622,784
Crosfields (controlled by		
Lever Bros.) ... ...	£834,330	£897,501
Unilevers, Ltd. ... ...	£6,900,000	£5,835,705
Distillers, Ltd. ... ...	£2,110,936	£1,862,803
Reckitts & Colman ... ...	£1,891,288	£1,862,903

In recent years the tremendous capital investments of the large chemical combines have reduced the ratio of profits, but this can be attributed to the fact that much of this capital represents bonus shares, and watered capital arising out of stock exchange manipulations. This important point is explained in detail later on.

From 1907 to 1914 chemical workers toiled 56 hours a week for an average wage of 22/6, and at week-ends shift workers often worked continuously for 24 hours without a break for an additional 4/6. But big changes have taken place. Two world wars have stimulated the expansion of the industry with increasing momentum until to-day it has become one of Britain's basic industries. Making full use of the opportunity, thousands of chemical workers, through militant industrial trade unionism, have won for themselves wages which compare favourably with those in any other industry. There is still room for improvement before chemical workers can enjoy a more equitable share in the wealth they produce, and conditions more in keeping with twentieth century needs relating to health and workers' welfare.

Despite all the changes in factory legislation which are aimed at safeguarding the working conditions of chemical workers, thousands of men and women in the industry to-day are working under conditions which have changed very little during the last 50 years. Thousands of workers in the dye and colour industries have perforce to sleep in sleeping bags because the dyes and colours are soaked into their skins. The scourge of dermatitis turns the lives of thousands of chemical workers into a nightmare. Countless numbers of burnermen and salt-cake workers, because of the nature of their work which demands continuous production, are compelled to work seven nights a week with only a very occasional break, so that to these men normal domestic happiness is impossible.

As bad as these conditions were in peace-time, they are infinitely worse under black-out, speed-up and general war conditions. These conditions can be partially eliminated by further changes in factory legislation affecting chemical workers, but they can only be completely eradicated when profits are no longer the motive of chemical production and the industry becomes the property of the nation.

## 2. MODERN MAGICIANS

In our consideration of the part played by the chemical industry to-day and its rôle in the Socialist society of to-morrow, we commit a grave error if we neglect an appreciation of the greatest revolutionaries in history—the unknown chemists, scientists and inventors who, working quietly in their laboratories, are laying the basis of a great chemical and scientific revolution—a technical revolution which should increase enormously the volume of wealth production, lighten the toil of the

workers and lay the foundation of a society where lasting peace can become a practical reality.

The chemists of to-day in their modern laboratories, are out-stripping the wildest dreams of the alchemists of old who tried to convert base metal into gold. The old maxim that you can't produce a silk purse out of a sow's ear is no longer true to-day—a chemist has publicly demonstrated that this can actually be done.

To-day, rubber, oils, plastics, etc., are being produced from coal, explosives from air, magnesium and poison gases from brine and sea-water. At Henry Ford's plant in America, steering wheels and even car bodies are being made from soya beans. Glass and fabrics can be produced from sand; beautiful artificial silk out of wood pulp; sweets out of sawdust and wood chips; wool out of slaughterhouse waste; boards for building purposes out of sea-weed; beautiful fibre out of gas and waste fumes.

When Japan entered the war the natural silk of the silk-worm was no longer available, but Duponts (U.S.A.) rapidly developed the production of Nylon—a product of coal which enabled the workers to produce a beautiful fibre which is equal in almost every respect to the products of natural silk.

When Java was lost to Japan, the world's supply of natural quinine was also lost—but synthetic quinine, to take its place, was made by a German patent. (Its production for the United States, however, was held up by an American firm because of its patent agreements with German chemical interests.)

All of these examples indicate, in a dramatic form, the tremendous possibilities for the future. The scientists and the chemists are in a position to make almost any given commodity by breaking down waste matter, which exists in every country in abundance, to its primal atoms and re-building it into new molecular structures.

The great chemical industry of this country is to-day, because of the pressure of war events, being compelled increasingly to find new ways of making old products and developing the production of new products from old waste.

### 3. THE STRUCTURE OF THE INDUSTRY

Within the structure of the chemical industry there are over 200 different industries, involving over 10,000 different processes. **Heavy chemicals** dominate the scene, employing approximately 155,000 workers and producing acids, alkalies, solvents, dyes, explosives, etc. This side of the industry is completely under the control of the powerful I.C.I. (Imperial Chemical Industries, Ltd.), which is responsible for over 50% of the manufacture of all chemicals in this country.

**Fine Chemicals** employ approximately 40,000 workers, manufacturing drugs and patent medicines. Whilst 400 firms are concerned in this

manufacture, three large combines literally dominate the industry. The manufacture of **Soaps, Perfumery and Candles** is another section of chemical production. Here again, one mighty industrial octopus dominates the scene—namely, Unilevers, which is the largest trading organisation in the world—its sales for one year being over £200,000,000.

Unilevers are the largest producers of margarine in the world, producing 65% of the country's supplies. This combine did very well out the first world war, for example, in 1913, the capital of the combine was £30,000,000, controlling forty companies. After four years of war, however, in 1919, this combine emerged as a great world trust, controlling a hundred and forty industrial concerns, and its capital had increased to £140,000,000. To-day Unilevers control the greater part of the production of soap, margarine, and a number of vital fine chemicals throughout the British Empire, besides which it controls three hundred subsidiary companies operating in America, the Far East, and in Holland and Germany. Through its Dutch Company it had a controlling interest over 25 industrial concerns operating in Nazi Germany, and in 1941 the Nazis actually gave permission for the Dutch firm to pay dividends to British shareholders under a pre-war equalisation arrangement. The following extract makes this point clear:

"The Directors of Lever Brothers and Unilevers announce that the German Commissioner for the Company's Dutch Associate, Lever Bros. and Unilever N.V. has ordered the payment of full dividends on the Dutch Company's 5%, 6%, and 7% Preference shares." ("Daily Telegraph, 24/11/41.)

whilst this year (1942) the British Company has set aside a reserve of £2,200,000 to maintain an equalisation of profits on its Dutch and German subsidiary companies. The political power of this combine can be understood when we know that out of eleven men appointed by the Government to control oils, fats, margarine, etc., for the Ministry of Food, no fewer than seven were previously employed by Unilevers, Ltd.

**Plastics** is a very important section of the industry which, at the moment, employs only 20,000 workers, but it will develop with increasing momentum until it becomes an important key industry in this country. The uses of plastics are becoming more numerous. A product of coal tar, plastics as a substance will rapidly take the place of wood and metals. It possesses a smooth, hard surface which, at certain stages in its manufacture, can be handled like putty.

**Distilling.** The distilling of spirits, the manufacture of alcohol and solvents, is possibly the most closely-guarded monopoly of the chemical industry, it being almost solely in the hands of the Distillers' Company (producers of whisky) which controls subsidiary companies with a capital investment of £21,000,000, the largest of which is the great modern concern of Industrial Solvents Ltd., with many plants in different parts of the country.

Besides the production of whisky, this monopoly processes critical chemicals, such as acetic acid, acetone, as well as motor and aviation fuels. In addition, alcohol is the basis for the production of important rubber substitutes. The premier company of this monopoly (Distillers' Company) returned recent profits as follows:—

1940: £2,110,936 (£600,000 to reserve)

1941: £1,962,168 (£500,000 to reserve)

In 1941, however, £2,400,000 out of profits was invested in Government stock, making the company's total investments in Government securities no less a sum than £13,423,764.

The Government's chief controller for alcohols is T. A. Broad, who, up to the time of his appointment, was the leading director of the Distillers' Company and, further, on November 1st, 1942, the Acetic Acid Syndicate, which comprises three companies—Messrs. Industrial Solvents, Ltd., Imperial Chemical Industries and Shawinigan, Ltd., were appointed by the Ministry of Supply to act as the sole distributing agents of industrial alcohols, molasses, acetic acid and acetic anhydride.

**Rayon or Art Silk** is a most fascinating section of the chemical industry, where wood pulp derived from the forests is transformed from solid matter into liquid, sprayed into acid and like magic transformed into fine silklike threads by a series of simple chemical processes. This industry, too, is dominated by two combines—British Celanese, Ltd., with a capital investment of £12,000,000, and Courtaulds, Ltd.

**British Celanese, Ltd.**, is a section of a great international combine which operates in all the major industrial nations of the world. There is a German Celanese, a French Celanese, an American and a Canadian Celanese. Recently the British section founded a new subsidiary company—the Celanese Plastics Development, Ltd., with a capital of £300,000. The chairman of the Board of Directors is the reactionary Tory M.P., Sir John Wardlaw Milne, who also has large interests in India. A further director out of a board of four is Tory M.P. Sir Harold Webbe. The share value of British Celanese has been subject to constant fluctuations due to the gambling and speculations of the stockbrokers. For example, in 1928 10/- ordinary shares rose to a market price of £6 15s. each; ten years later, however, they had slumped to 1/9 each. As is often the case, the workers employed in the plants of the firm have been the victims of the financiers' greed.

**Courtaulds, Ltd.**, has a capital investment of over £30,000,000. Like Celanese it, too, is a great international undertaking which carries on the production of Rayon goods in many countries. Prior to the war its subsidiaries included a great plant operating in Nazi Germany, and through the Unie Silk Manufacturing Co. it dominated the artificial silk industry of Fascist Italy.

Major James Shearer, a former member of the War Office Intelligence Staff, was for many years the company's chief publicity director. He

was also the national inspecting officer for Mosley's Blackshirt Movement.

Before the Lease-Lend Act was formulated between Britain and America, the British Government needed dollars to purchase goods in the United States. They proceeded to take over British holdings in that country, which included Courtaulds' shares in the American Viscose Company. These shares were valued in Courtaulds' balance sheet at £18,557,248, but their sale in America only realised £13,500,000. The Company objected to this amount and the issue was referred to Arbitration, but, unlike Arbitration Awards affecting workers' wages, this Award was in favour of Courtaulds, and the taxpayers, through the British Treasury, had to pay £27,125,000 for these shares, which Courtaulds valued at the figure of £18,557,248 and for which only £13,500,000 was realised by the Government. Thus Courtaulds' shareholders gained at the very minimum £8,000,000 at the expense of the British taxpayers. Courtaulds' shareholders, however, enjoyed further profits by an increase in the Stock Exchange value of shares because the Arbitration Award was responsible for sending 20/- shares soaring to 38/-. For example, on June 22nd, 1942, these shares stood at 33/6. After the Arbitration Award on July 22nd, they soared to 38/-. To-day, at the time of writing, they stand at 48/10½. These fluctuations in market values have put hundreds of thousands of £'s into the pockets of the shareholders.

This is not the first time that Courtaulds' shareholders have been able to enrich themselves and increase the value of their holdings without adding a penny to their original share capital.

In February, 1928, the company declared a bonus of £12,000,000. The effects of this declaration can best be described from the following report which appeared in the "Daily Express," February 28th, 1928:—"The news of Courtaulds £12,000,000 yesterday startled the Stock Exchange on the wildest day it has had for years. Stockbrokers caught early trains to town and crowds were dealing with shares before the House was officially opened. Brokers fought to approach the jobbers. Wild dealings continued in the streets hours after the Exchange closed. . . ." Members of the Courtaulds family benefit largely by the rise. Eighteen of them are registered at Somerset House as holding 1,207,978 Ordinary Shares and 687,409 Preference Shares. These, though nominally £1 each, have a market value of more than £11,000,000.

These facts are dealt with in detail because they go to explain why monopoly capitalism in the chemical industry has within recent years been compelled to show relatively small dividends in relation to large capital investments. The industry to-day is being choked with watered capital. It is over-capitalised by (a) the frequent issuing of bonus shares —a device which enables the owners to increase the capital out of profits, thus advancing the holdings of the shareholders out of all proportion to

the original investment; and (b) by the speculators of the Stock Exchange who gamble not merely in stocks and shares, but in the very livelihood of the chemical workers. It was the greed of these modern brigands, with their legalised robbery of stockbroking, which contributed largely to the depression of the mining, cotton, shipbuilding and railway industries, causing untold misery for the workers, whose daily bread depended on these basic industries. The tragedy of the mining and cotton communities during the pre-war era, which was characterised by starvation wages, under-employment and mass unemployment, will be enacted for chemical workers in the post-war period if the chemical industries are allowed to become the special hunting grounds of the financiers, speculators and the monopolists.

#### **Output £20 per Week**

There are many other miscellaneous industries associated with chemicals, such as rubber, oil refining, glues, paints and varnishes and the manufacture of fertilisers. The approximate number of workers employed in all the industries referred to is just over 300,000, and the gross annual output of the industry, according to Inland Revenue returns is over £300,000,000—which means that the annual output per worker per week is £20, which gives some indication of the profits made out of chemicals—an industry which has made many millionaires, has never known slump and which is continuing to expand until it becomes the keystone of Britain's industrial life.

### **4. THE PATENT MEDICINE RACKET EXPOSED**

The Drug and Fine Chemical Industry deals with the manufacture of drugs and patent medicines, and, whilst this industry produces many essential commodities, the patent medicine side in general is nothing but a huge racket which lives and makes huge profits out of the credulity of the public. It is estimated that nearly £30,000,000 is spent on patent medicines each year, which amount is almost equal to the whole national expenditure on the hospital services of this country.

It would be true to say that this country is rapidly becoming a nation of drug-takers and patent medicine consumers, which fact is operating to the detriment of the health of at least half of the population. Fundamentally, it is an economic question. The incomes of the workers of this country have never, at any time, been sufficient to supply them with the necessary body-building foods. For example, medical science agrees that the average adult workers requires from 2 to 3 milligrammes of thiamin (Vitamin B.1) per day. Such a consumption of thiamin requires a regular balanced diet which includes plenty of meat, fresh fruit, milk, eggs, vegetables, together with enriched bread. The majority of workers have never been able to afford such a regular balanced diet, with the result that the domestic happiness of hundreds of thousands of working-

class homes is shattered by an ever-present epidemic of minor nervous illnesses which take the form of stomach trouble, indigestion, headaches, backaches and general neurotic trouble. All this makes them easy prey to the expansive advertising of the patent medicine producers who offer pills, medicines and drugs to cure all ills. The taking of synthetic vitamins can never solve the problem of malnutrition. The solution lies in raising the income of the workers so that they can buy the nourishing foods needed to maintain a normal, healthy life.

## 5. PROFITS OUT OF MALNUTRITION

Generations of poverty and years of faulty feeding cannot be wiped out in a day, but special vitamin enriched diets under medical care would go a long way in righting the terrible harm which capitalist greed has done to the health of hundreds of thousands of workers, and, simultaneously, it would play an important part in stopping the racket of the patent medicine profiteers—a racket which has reached dangerous proportions and has become a powerful monopoly of vested interests backed by considerable political influence. For example, three Members of Parliament—Stanley Holmes, M.P. (Lib.-Nat.), E. Granville, M.P. (Lib.-Nat.), and the Rt. Hon. S. Amery, Tory M.P. (the latter up to his appointment of Secretary for India), hold between them 23 directorships in this industry and dominate the largest patent medicine monopoly—the Beecham Trust. This powerful monopoly controls the following firms: Beechams Products, Beechams Pills, Ltd., Beechams Pills, Ltd. (Canada), Veno's Drug Co., Veno's Drug Co. (Canada), Ashton & Parsons (of Phosferine fame), Dr. Cassels Medicine Co., Natural Chemicals (of Phyllosan fame), Yeast Vite, Yeast Vite (Canada), Yeast Vite (U.S.A.), Cicfa Co., Dinnefords Co., Iron Jelloids Co., Irvings Yeast Co., A. F. Sherley & Co., Pickard and Constance and Eno's, Ltd., whilst this year (1942) the Chairman of the Directors announces that they have acquired control over four new companies.

The following dividends have been paid by Beechams Pills, Ltd., a subsidiary of this trust, during recent years:—

1933	1934	1935	1936	1937
20%	25%	50%	60%	85%

In 1940 their profits were £1,085,531 and in 1941 £1,179,215, besides which some 22 bonus shares have been issued since 1933. Another subsidiary of the Beechams Trust—the firm of Veno's of Lightning Cough Cure fame, have declared the following dividends:—

1936	1937	1940	1941
193%	300%	187½%	174%

whilst Yeast Vite, another subsidiary, returned dividends of 60% in 1940 and 82½% in 1941.

It will thus be seen that in proportion to capital investment no other industry in the land can show such a profitable return. The chemical workers who produce these patent medicines, drugs and pills and the public who consume them have paid for this industry many times over, and in the interests of the health of the nation the industry should be publicly owned and controlled.

## 6. FACTS ABOUT THE I.C.I.

No statement on the chemical industry would be complete without detailed reference to the ramifications of the Imperial Chemical Industry. This mighty industrial octopus completely overshadows the production of basic chemical compounds. It holds a dominant position in plastic production and completely holds the ransom over every section of the heavy chemical industry, besides which it has now entered the pharmaceutical side of the industry by the recent establishment of a new company with a capital of £500,000 for the production of drugs, etc. It controls over a hundred plants in this country and has a controlling interest in a hundred and eleven subsidiary companies. By means of investment trusts and interlocking directorates in banking, insurance and industrial enterprises it is linked up with oil, coal, nickel, aircraft, motors, magnesium and practically every important industry in the land. It controls manufacturing subsidiary companies in every part of the British Empire, including I.C.I. Australia, I.C.I. New Zealand, Canadian Industries, Ltd., South African Explosives, Ltd., and monopolises chemical production in India, besides which it is linked with powerful interests throughout the whole world, including German I.G. Farbenindustrie (the I.C.I. of Germany), Krupps Steel, French Schneider, Duponts and Dow Chemicals, U.S.A., Establissemment Kuhlmann, Chile Explosives Co., Mitsue Co. and Japanese Explosive Co., by means of cartel agreements and patents' pooling arrangements.

## 7. I.C.I. and GERMAN FARBENINDUSTRIE

In 1938 the I.C.I. and the Nazi-controlled I.G. Farbenindustrie established a new Company in Manchester—The Trafford Chemical Company, Ltd., which operated under joint British and German control up to the outbreak of war. This is but one typical example of the very close alignment between the I.C.I. and the Nazi industrialists. Its chairman of directors, Lord McGowan, is a director of the Midland Bank, holds fourteen directorships, and has an estimated income of £70,000 a year. He attended the Nuremburg Conference of Nazis in 1938. Sir John Anderson, M.P., a member of the War Cabinet, was a director of the I.C.I. prior to his appointment to the Cabinet. He was also a director of the Vickers-Armstrong Combine and has large holdings in the Midland Bank.

The late Neville Chamberlain was a shareholder in I.C.I. and an ex-director of Elliotts Metal Co.—now an I.C.I. subsidiary. In 1929 he pushed through Parliament the De-Rating Act, which relieves business premises from local rates, and which, according to a statement by the late Lord Melchett, saved the I.C.I. £200,000 per year in rates, so politically Chamberlain's De-Rating Act made a present of over £2,000,000 up to the time of writing, to the I.C.I.

I.C.I. have many shareholders with influence in the political life of the nation. They include Lord Simon (the appeaser of Japan), Captain Bullock (Tory M.P., son-in-law of Lord Derby), N. C. D. Colman (Tory M.P.), Rt. Hon. Sir Hugh O'Neill (Tory M.P.), Lord Croft (Under-Secretary for War), and the Marquis of Zetland.

## 8. INDUSTRIAL POWER BEGETS POLITICAL CONTROL

Prior to the War the I.C.I. had business arrangements through cartel agreements with German concerns which were a part of the Nazi industrial organisation. Prominent individuals associated with the I.C.I. are now holding Government posts, as will be seen from the number of men it has as chief controllers over Government Boards:—

Chemical Controller—F. W. Bain (I.C.I.)  
Ammunition Controller—H. O. Smith (I.C.I.)  
Explosive Controller—J. Rogers (I.C.I.)  
Industrial Ammonia Controller—F. C. O. Speyer (I.C.I.)  
Deputy Controller (Plastics)—G. W. Thomas (I.C.I.)

whilst the Government's recently appointed Committee to enquire into synthetic rubber production also has Mr. F. W. Bain, of the I.C.I., as its chairman.

## 9. SOCIALISE THE I.C.I.

During recent years the profits of this great combine have been as follows:—

	1939	1940	1941
	£6,500,000	£6,756,000	£6,130,000

Imperial Chemical Industries, Ltd.—Britain's largest concern and the world's greatest manufacturers of explosives and poison gases, is something more than a monopoly—it is a state within a state, possessing more power than Governments. Its stranglehold on Britain's vital chemical supplies must be broken and uprooted, for such power in the hands of private interests will always menace the peace of the world and jeopardise the advance towards Socialism in this country. The time is more than ripe when this monopoly should be publicly owned in the interests of the nation and their plants administered by the workers and technicians who run them.

## 10. THE SYNTHETIC RUBBER SWINDLE

The world uses a million tons of natural rubber every year in peace-time. In war the demand is double that amount. A few years ago not one person in a hundred was interested in rubber, but to-day its shortage has become one of the vital problems of the United Nations. In July, 1942, according to a "Manchester Guardian" report, President Roosevelt, in a broadcast speech, declared: "It might be necessary for the Government to commandeer all motor-car tyres. . . We are trying to save not rubber or petrol, but the nation." This statement gives the layman an appreciation of the critical nature of the rubber shortage.

Slavery and near slavery have always been an essential part of the cultivation of natural rubber. Brazil was the birth-place of natural rubber, but the natives who inhabited the thinly-populated forests of the Amazon valley, were reluctant to embrace the slavery of the plantations. It was a poor substitute for the free, easy-going status of their previously "uncivilised" existence, and so the British and Dutch planters gathered the seeds from the rubber trees and started rubber cultivation in Malaya and the Dutch East Indies, where the millions of hungry natives guaranteed an almost inexhaustible supply of the world's cheapest labour, and so Malaya and the Indies became the major source of the world's rubber supply. This British-Dutch monopoly was destroyed by the Japanese occupation. The plantations and the warehouses loaded with rubber, fell into Japanese hands largely because the rubber slaves refused to fight for their white exploiters.

Before Japan came into the war, however, the British-Dutch rubber interests were sufficiently powerful to prevent both Britain and the U.S.A. developing alternative supplies of rubber by the creation of a synthetic rubber production industry, and as far as Britain was concerned they even discouraged the reclamation of rubber and the re-treading of tyres, although three-quarters of the rubber consumed went into the manufacture of tyres. Up to the end of 1941 the figures for rubber reclamation in Britain, as compared with other countries was as follows:—Britain, 7%; U.S.A., 38%; U.S.S.R., 97%; Germany, 98%.

There are several alternative sources for producing rubber substitutes. One is from oil, another is from alcohol, and a further one is from coal. The most successful process so far is from grain, potato and farm products' alcohol. Germany, Poland and Soviet Russia have all produced synthetic rubber from such materials. As far as Britain is concerned rubber from coal is the most practical alternative supply and such a production is an old story as far as the British Chemical Industry is concerned. As far back as 1922 a British scientist produced synthetic rubber from shale coal at a manufacturing cost of 3d. per lb., which is the cheapest known process, but powerful vested interests prevented its development. As far back as 1934 Germany, which had no source of

natural rubber, had developed this industry to a very large extent. In this development Nazi Germany was greatly helped by the research and patents of American and British chemists. Indeed, in April, 1942, the Standard Oil Company of New Jersey was fined 50,000 dollars for refusing to release secret American processes for the production of synthetic rubber from coal which this firm had already made available to both Nazi Germany and Fascist Italy.

The story of the British conspiracy to prevent the development of alternative supplies of rubber is yet to be told, but it is certain that powerful vested interests with great influence over the Government and with their eyes on post-war competition between synthetic and natural rubber, are responsible for the absence of a plan for meeting present-day needs.

The struggle for synthetic rubber production in this country involves far more than rubber. It involves the question as to whether this country is to become part of the whole advance which for lack of a better term we will call "The Chemical Revolution." It involves the question of whether this country is to go out boldly and definitely to increase its essential supplies to use in a big way the hidden and untapped wealth of our native land, the priceless coal which is here in abundance and which in the future might prove to be more precious than either diamonds or gold. Organic chemistry holds the key which can unlock from coal countless wonders in the form of synthetics far better than natural rubber, varieties each having properties suited for one or more uses; petrol and oils to replace supplies from far-away lands; plastics to take the place of metals, wood and stone; a new true oil from which entirely new industries and products can arise. In this direction lies the solution of many of our post-war economic problems, and in this direction lies the end for the empire-mongers, the imperialists, and the international financiers.

## II. OIL AND CHEMICALS FROM COAL

The next important development in chemical production must inevitably be the greater and more economic use of the country's potential wealth which is buried in the bowels of the earth in the form of coal and shale. Take a piece of coal, roast it and you get coke, gas and coal tar; boil it and you get an emulsion composed of many ingredients; steam it and you get coke, fats and oils. The latter process which cooks coal by means of superheated steam, converting the smoke and flame-forming materials into oils, wax and phenols is by far the most successfully known process for the production of oils from coal. An outstanding feature of this method is that the heat put into the steam is so utilised that in its passage from boiler to retort it generates electricity as a by-product at a lower cost than is possible by any known system. This cheap power, if applied in the electro-chemical processes which depend

on cheap electrical power, would literally revolutionise this side of the industry, but alas, like many similar inventions and processes, this method, although operated with complete success for two-and-a-half years as an experiment, was deliberately overlooked by vested interests in favour of the I.C.I.'s costly experiment in hydrogenation—a process which engineers and chemists of international repute had declared to be old-fashioned and uneconomical, from which it seems clear that the coal, oil, chemical and banking interests were determined to prove that the extraction of oils from coal was futile as an economic proposition.

The following extracts from a prospectus dealing with the production of oil from coal based on the "Turner" steam process, refutes the alleged experts:—

**ESTIMATE OF OUTPUT AND PROFITS BASED ON 1,000 TONS OF COAL  
PER DAY**

PRODUCTS	Output per ton of Coal (Minimum)	Output per Day from 1000 tons	Output per Annum (360 Days)	Annual Revenue Ex-Works Price
Smokeless Fuel ...	10 cwts.	500 tons	180,000 tons	£202,500
Motor Spirit (Aviation St'dard)	6 gals.	6,000 gals.	2,160,000 gals	108,000
Diesel Oil ...	10 "	10,000 "	3,600,000 "	52,500
Phenols ...	4 "	4,000 "	1,440,000 "	21,000
Wax ...	2 "	8 tons	2,880 tons	14,400
Calcium Carbide	—	60	21,600	216,000
Gas ...	2,250 c.f. (17 thms.)	2,250,000 c.f. (17,000 thms.)	810,000,000 c.f. (6,120,000 thms.)	45,000
				£659,400

**EXPENDITURE :**

1,000 tons per day—360,000 tons per annum	...	£198,000
Boiler Fuel ...	...	18,000
Wages, Labour, Materials, Stores, Administration, Rates, Management, Water, etc.	...	114,000
Registered Offices, Consultants ...	...	7,400
		£337,400
Estimated Annual Profit	...	£322,000

**COST OF PLANT AND CAPITAL OUTLAY :**

Colliery Acquisition ...	...	£60,000
Site Acquisition ...	...	1,000
Plant ...	...	400,000
Carbide Plant ...	...	50,000
Colliery Development ...	...	30,000
Working Capital ...	...	100,000

£641,000—all back in two years.

Based on prices existing in 1935.

From this it will be seen that in two years the whole capital expenditure could be paid back out of profits. Despite this fact, however a combination of vested interests with international cartels and combines

at stake, have been sufficiently powerful to prevent investors and the Government from developing an industry which would add so greatly to the country's mineral supplies.

## 12. END THE DARK TOIL OF THE MINERS

A hundred thousand workers are employed in extracting gas from coal. Thousands of miners spend their working lives in the dark dungeons of the pits digging out the coal for domestic gas. The existing methods of generating light, power and heat are obsolete and wasteful in the extreme. The dark dangerous toil of the miners for this purpose is unnecessary. Coal can be gasified and its valuable products drawn off and stored in huge gasometers at the pit-heads without the need for extensive underground work by the following methods: (a) sinking a steel shaft and breaking the coal seams by delayed explosions, setting fire to the coal underground, sinking a second shaft and controlling the fire by means of compressed air, blowing the gases and smoke through the second shaft into gasometers at the surface, and refining the gas for domestic use; (b) operating the same method and establishing in addition coal by-product plants to absorb surplus labour into chemical production. These methods may seem utopian in Britain to-day, but by means of this process one plant in the Soviet Union was able to produce three hundred million cubic feet of gas in 18 months at a quarter of the cost of the old method; but in the Soviet Union there are no bankers, coal owners, oil speculators and no I.C.I.

## 13. MONOPOLY ENRICHES THE RICH AND IMPOVERISHES THE POOR

It will be seen from this brief summary of the structure of the chemical industry that the underlying feature is the complete domination of the industry by a few powerful monopolies. In its early stage each of these monopolies contributed greatly to the technical advance of the industry and thus increased the volume of essential supplies, but to-day, despite the effects of total war, their whole policy tends to the opposite direction—in the direction of limitation and the restriction of production and supplies. In order to maintain its profits, monopoly capitalism is compelled increasingly to restrict output so as to maintain high prices.

It is not only we Socialists who are critical of monopolies. One of the most timely exposures is the recently-published report of the Temporary National Economic Committee (T.N.E.C.) which reviews the effects of monopoly on American industry. Here we have space for but a brief summary of its indictment which states that monopoly

- (a) causes an uneconomic allocation of productive resources;
- (b) affords the consumer no protection against extortion;
- (c) inflicts no penalty on inefficiency;
- (d) may engage in research and invent new materials, metals, processes and machines, but is reluctant to make use of these inventions.

tions if they involve the scrapping of existing equipment or if the ultimate profitability is in doubt;

- (e) prevents the full utilisation of productive capacity;
- (f) impedes the raising of the general plane of living and makes the total output of goods and services smaller than it otherwise would be;
- (g) contributes to inequality in the distribution of income;
- (h) is a perfect mechanism for making the rich richer and the poor poorer.

## 14. THE SOCIALIST SOLUTION

It is well to remember that this indictment against monopoly capitalism comes from capitalist sources, which by means of special investigations can prove all their charges. Whilst this criticism is true of all monopolies to-day, it is possibly more true of the chemical industry than of any other. The whole tendency in recent years has been towards the concentration of control in fewer and fewer hands with the smaller industrialists being driven in still greater numbers into deeds of arrangement, liquidation and bankruptcy.

We Socialists do not agree with those who campaign for a reversion to small-scale localised methods of production. Large-scale production has come to stay. The evil to-day is that concentration under private ownership makes the end and aim of chemical production the creation of profits for a few at the expense of the toilers who produce chemical wealth and the consumers who purchase the finished commodity.

In their pursuit of profits, the chemical monopolists are compelled to reach out beyond national boundaries extending monopoly control on an international front by means of world-wide cartel agreements and there is abundant evidence to prove that all the major industrial powers have for years been parties to such agreements which, as far as is possible, are maintained during war-time and, where this is not practicable, are merely suspended for the duration to be immediately resumed in a post-war capitalist era.

## 15. THE MERCHANTS OF DEATH

For example, the United States Department of Justice, during an investigation, and reported in June, 1942, discovered 162 such agreements between American Oil and Chemical Corporations and the German Chemical Monopoly I.G. Farbenindustrie. These agreements definitely restricted the production of drugs, dyestuffs, synthetic rubber and a whole range of vital war materials. It was proved during this enquiry that these cartel agreements, besides involving American firms, were also signed by British, French and Japanese chemical monopolies. One agreement between the American firm of Rohm and Haas (a subsidiary of Duponts) actually provided for the setting aside of royalties on British and American military orders for post-war payments to the German

interests, whilst in October, 1939, the official in charge of an agreement between Standard Oil Co., of New Jersey, and German Farbenindustrie, wrote a letter from which the following is an extract:—

“They (I.G. Farbenindustrie) delivered to me assignments of some 2,000 foreign patents and we did our best to work out complete plans for a modus vivendi arrangement for working together which would operate through the terms of the war whether or not the U.S.A. came in . . .”

A further example of secret arrangements between monopoly interests in Allied and Axis nations is the following cable which an official of the same company (Standard Oil) sent to the company's agents in Japan on September 11th, 1939:—“We fear United States Government in near future may have ground for action unfavourable to American-Japanese trade. We consider timely for us to organise with Japanese partners whose influence would be valuable later towards re-establishments after interruption of trade.”

Another agreement between General Electric and Krupps, the German Steel and Munitions Trust, was actually extended after the commencement of hostilities. A special clause was inserted in this agreement fixing the date for its termination as 1950 and joint provisions were made for the sharing of profits between the German, British and American partners. According to documentary evidence produced by the U.S.A. Department of Justice, by means of this agreement General Electric Company had curtailed the production of tungsten carbide in the U.S.A. to 5% of the production in Nazi Germany. Next to diamonds, tungsten carbide is the hardest substance known and its use in the German engineering industry as a cutting edge in place of steel, had increased the rate of certain engineering operations by 500%. By agreement with Germany, General Electric had fixed a prohibitive price on this vital substance, of 453 dollars a lb.—although the cost production was only 25 dollars a lb.

## 16. DOING BUSINESS WITH HITLER

Another example was the case of the Remington Arms Company—another subsidiary of Duponts which is closely linked with British I.C.I. This firm had a patent pooling arrangement with Imperial Chemical Industries and German Farbenindustrie, which included an arrangement for the paying of royalties to German interests on munitions sold to British and U.S. Governments during the present war. This arrangement, however, went further. It was responsible for withholding the use of tetracene (a smokeless non-corrosive combustion initiator for priming ammunition) to the British Purchasing Commission in America. Indeed, seventeen months after the commencement of hostilities the Attorney, employed by the firm of Remingtons, wrote a letter warning the A.C. Spark Plug Co. that it could not use tetracene for ammunition

sold to the British Government or any of the countries of the British Empire because of the cartel agreement with British I.C.I. and German I.G. Farbenindustrie. During the investigations Remingtons defended their position on the grounds that British I.C.I. had been responsible for the anti-British Clause in the agreement.

The most recent case was the prosecution in the United States of Duponts De Nemours & Co., Standard Oil Co., of New Jersey, American Cyanimid and Chemical Corporation, and eighteen other companies, together with 65 of their officials by the United States Department of Justice for "engaging in a world-wide conspiracy to suppress competition and monopolise the manufacture and sales of acrylic products." It was charged that the above firms "conspired with I.G. Farbenindustrie of Germany and the Imperial Chemical Industries of London in cartel to fix exorbitant prices, restrict production and divide world markets."

The indictment, drafted by a Federal Grand Jury, states that the products concerned are "among the most important plastic materials, having a wide industrial application and are used for such things as transparent bomber noses, cockpit closures and gun turrets of all military planes manufactured in the United States."

On October 1st, 1942, however, under pressure from Army and Navy Departments, the prosecution was postponed until after the war.

The above facts, which are but a few of the many hundreds of similar agreements, prove that the merchants of death in Britain, America, France, Germany and Japan, whilst making huge profits out of war contracts in their own countries, continue to do profitable business across the battlefields of the world. To them, the present conflict is merely a temporary interruption in their plunder of the world, but their international relationships are maintained behind the scenes and they hope to resume these publicly immediately peace is signed. Irrespective of which side is victorious, they look at the world as a vast hunting-ground for the enrichment of a few by the exploitation of the many.

## 17. CHEMICAL WARFARE

The human race lives at the base of a mighty ocean of air which is from 7 to 8 miles deep. This air consists of oxygen and nitrogen. Without these two essential elements human life on this planet would be impossible. What is not generally known, however, is the fact that without fixed nitrogen in great quantities the nations of the world could not wage warfare on the gigantic scale on which it is now being enacted. Ever since the invention of gunpowder, fixed nitrogen has been used by man in all explosive substances—thus nitrogen, the major part of the air we breathe, serving to tone down oxygen the breath of life, is to-day snatched out of the atmosphere by man's ingenuity and made to serve an alien purpose—the hurling of death, mutilation and ruin among the warring sections of the human race. But the chemists cannot be reproached for

this retrograde development because nitro-cellulose was first applied for the healing of wounds and for the advance of photography. From these peaceful purposes it was diverted to make explosives for the loading of bombs, shells and torpedoes.

## **18. THE PROSTITUTION OF SCIENCE**

Prior to the first world war of 1914-18, the main source of fixed nitrogen was nitrates from Chile. German chemists, however, were successful in developing methods for the fixation of atmospheric nitrogen, and from that day on every state in the world has established huge fixation plants in preparation for the great and terrible conflict which now engulfs the world.

It is a sad commentary on Capitalist civilisation to know that the painstaking, lifelong research of the chemists and scientists on the nitrogen fixation process was aimed at the mass production, not of explosives, but of ammonium nitrate for fertilisation purposes so as to guarantee a plentiful supply of wheat and grain for the world's future generations.

## **19. INCENDIARY BOMBS AND POISON GAS FROM SEA WATER**

One of the most common elements which form the crust of the earth's surface is magnesium. This is a substance which is easily combined with any more aggressive element. This peculiarity makes magnesium of great value in warfare. It is used in the manufacture of incendiary bombs, tracer bullets, star shells and flares. In powder form or in shavings it ignites very quickly, creating an almost unquenchable blue-white flame, yet in solid form, as an alloy, it cannot be ignited even with the use of a blow lamp. Lighter than aluminium and as tough as steel it is a valuable metal which can be of great service to mankind. For example 180lbs. of magnesium alloy to-day goes into the making of a typical aeroplane engine, which previously required 270lbs. of aluminium. Thus in a four-engined plane, the saving in weight is 360lbs., equivalent to two extra passengers or 360 extra lbs. of goods or petrol. In wartime, alas, it means 360lbs. extra of bombs.

## **20. A CONSPIRACY EXPOSED**

Magnesium supplies were first imported by the nations of the world from Germany, where it was a by-product of the potash industry. For many years magnesium was known to be a vitally important metal, but its production in Britain and the U.S.A. was deliberately restricted by means of cartel agreements with the German Chemical Trust of I.G. Farbenindustrie. This international conspiracy to restrict the production of a vital metal was exposed before the United States Senate's Patent Committee on April 23rd, 1942, by the Assistant Attorney-General, who was able to prove that this agreement enabled British, American, German,

French and Swiss aluminium interests to drastically limit the world's production of magnesium so as to maintain high prices and prevent its development as a competitor to aluminium. It was proved that the U.S.A. partners to the agreement had restricted themselves not to produce above 8,000,000lbs. per year without Germany's consent, although the basic patent was American and not German. They also agreed to limit their shipments to Britain to 300,000lbs. a year, and in pre-war years to ship 50% of their production to Nazi Germany at a price one-third below that charged in both America and Britain. The methods adopted by the international conspirators was to organise a world trust and by careful manipulations, to buy up all surplus stocks in the world's markets and then to create a rigid price-fixing system. Every three months these merchants of death assembled to fix what they called a "buying price" which they paid for all unsold stocks for the quarter of the year. This fixed price then became the world's price which was varied according to its uses. This explains the lower price charged to Nazi Germany, as the German supplies were being used for military purposes and they claimed that they were thus taking it off the market as, once it was embodied in armaments, its function was at an end, but countries like Britain and America using magnesium for peace-time purposes were charged a higher price. This Trust maintained magnesium for peaceful purposes at such a high price as to discourage its use as a competitor to aluminium. From time to time the ring determined how much aluminium and magnesium each country should produce or receive, and the world production was so apportioned that Britain had to depend on the German I.G. Farbenindustrie for its magnesium supplies. It was not until a Messerschmidt was shot down over England and examined by experts that the full extent of German production of magnesium was discovered and the real effect of the cartel agreement on British and American production exposed. But whilst the American conspirators, the Dow Chemical Company and the Aluminium Company of America, were heavily fined on a criminal indictment, the British Associates still remain unpunished and the law of criminal libel makes their exposure a dangerous undertaking.

Magnesium to-day can be produced in plentiful supply from the sea-water which surrounds our shores by means of an electro-chemical process. It can also be produced from sea-shells which are burnt into lime, mixed with sea-water to make magnesium hydrate—after treatment with acid it becomes magnesium chloride which is melted and powerful electric currents used to separate the magnesium from the chloride. It is then ready for casting into ingots or powdered into incendiary materials. The chloride, after being drawn off, becomes the basis for mustard gas, so corrosive that a few whiffs are fatal. Thus chemical science used in the devil's business of war is able to extract from the sea two elements of destruction, both of which could be of great benefit serving the peaceful purposes of mankind.

## 21. CHURCHILL PROPHESIES THE USE OF POISON GAS IN 194—?

Up to the moment of writing, poison gas, bacteria, microbe and plague warfare has not broken on the warring nations, but it must always be considered as a possible desperate throw on the part of any of the nations involved. In his book, "The World Crisis," Winston Churchill wrote as follows: "All that happened in four years of the great war was only a prelude to what was preparing for the fifth year... The campaign of 1919 would have witnessed an immense ascension of the power of destruction... Thousands of aeroplanes would have shattered their cities, poison gas of incredible malignity would have stifled all resistance and paralysed all life... The campaign of 1919 was never fought, but its ideas go marching along and should war come again to the world it is not with the weapons and agencies prepared for 1919 that it will be fought but with developments and extensions of those which will be incomparably more formidable and fatal." ("World Crisis," Section "The Aftermath.")

## 22. MILLIONS SPENT ON POISON GAS MANUFACTURE

At a great Government plant in the U.S.A. which cost £9,000,000 to build, 1,400 tons of poison gas has been kept in stock for many years. This plant alone has a capacity for the production of 800 tons of Lewisite gas per day.\* In Britain the same story can be told. In Soviet Russia for many years now they have built up a powerful trained organisation to deal with what they considered was the inevitable menace of poison gas warfare.

In Germany the production of poison gases and poison dust and smoke clouds has gone on apace since Hitler came to power, and every German regiment has a section trained for the purposes of poison-gas assault and defence. The spraying of Abyssinian natives with mustard gas by Italian airmen is already a historical fact.

## 23. JAPAN USES POISON GAS IN CHINA

The following despatch from the Fukien Front (China) published in the press August 18th, 1942, confirms the recent use of poison gas by Japan in its war on China.

From Peter Burchett's despatch August 18th, 1942:—

"A Japanese officer stated that each regiment in the campaign covering the Fukien Province is equipped with three types of gas—tear, sneez-

\* In June, 1943, the U.S. House of Representatives approved a supply Budget which included the expenditure of a sum of £288,000,000 for poison gas and chemical warfare.

ing and asphyxiant—distributed by means of trench mortars, shells, hand grenades and hand-thrown cylinders. Each artillery unit of 26 men carries 50 shells of which 10 are filled with gas. The conditions deciding the use of gas, according to this officer are 'whenever the emergency arises and the weather is favourable.' Chinese officers have reported that gas dropped at Chuksien made faces swell, inflamed the glands beneath the ears, caused the hands to jerk spasmodically, producing extreme vomiting. Another report states that gas shells sometimes completely paralysed the men long enough for successful enemy attack."

## 24. POISON GAS CASUALTIES IN THE FIRST WORLD WAR

Despite all the statements to the contrary, poison gas, used only infrequently in the war of 1914-18, proved itself to be a terrible and formidable weapon. For example, the town of Armentières was bombarded with mustard gas shells during July 28th and 29th, 1918, and 12% of the population were killed. The effects of the first German gas attack on the British lines resulted in only 2,000 Canadians being left alive out of 12,000. In 1915 a gas attack on the Russian Front killed 6,000 and severely gassed 3,100. On October 17th, 1916, 6,000 Cossacks and their horses were killed by gas. Casualties in the British Army alone from gas artillery shells were estimated at 170,000.\*

## 25. THE FRIGHTFULNESS OF GAS WARFARE

The following is an eye-witness account of an English padre of the first gas attack in 1915 and published in a book "Chemical Warfare," printed in 1921 in U.S.A.:—

"The French have broken—we could hardly believe our eyes. The story they told us we couldn't believe; we put it down to their terror-stricken imagination. A greyish-green cloud had swept down on them, turning yellow as it travelled over the country, blasting everything it touched, shrivelling up all vegetation. No human courage could face such a peril. Then there staggered into our midst hundreds of French soldiers, blinded, coughing, chests heaving, faces an ugly purple colour, lips speechless with agony. Behind them in gas-choked trenches they had left hundreds of dead and dying comrades. The impossible was only too true. It was the most fiendish, wicked thing I have ever seen."

Major Endries, in a German book, "Chemical Warfare," describes a combined air attack on the city of Dusseldorf in the last war as follows:

\* Above information from: (1) Official History of the War (Medical Services) 1924. Vol. II. Page 294. (2) Journal of Industrial and Engineering Chemistry, 1919. Page 829.

"Light bombing squadrons arrive quickly in the darkness. They drop on the largest and most important factories now working on the night shift—bombs filled with 'white phosphorus.' A torrent of extinguishable flames overwhelm the buildings. Workmen attempt panic-stricken escapes to the cellars. The population, more panic-stricken, flies underground. The raiding planes wireless to H.Q. 'successful raid' and calls for second raiding party. These arrive loaded with light gas bombs, spreading first an irritant gas that can pierce through masks, followed by a second and stronger gas which kills the populace as it flees from the underground cellars made uninhabitable by the first gas. Every two or three hours similar attacks are repeated on different parts of the town until everything is enveloped in flames, and clouds of poison gas mark the place where before hundreds of thousands of human beings lived and moved."

Lord Halsbury, formerly assistant inspector of high explosives, made the following statement in 1928:—

"Mustard gas is the most deadly known gas. In an area, say, Richmond to Barking and Finsbury to Streatham, an effective dose would be only 42 tons. In twelve hours every man, woman and child in that area might fail to live."

Space does not allow of an exhaustive study of this subject; sufficient it is to quote the following extract from Professor J. B. Haldane's book "Calinicus" on sternutator gases. Of one, "Diphenyl-Chlorarsine," he writes:—

"The symptoms of sternutator gases are most curious. They cause victims to have pains in the head and chest—the head pains being like that caused when fresh water gets into the nose, but infinitely more severe. These symptoms are accompanied by the most appalling distress and mental misery. Soldiers poisoned by these substances have to be prevented from committing suicide—others went raving mad and tried to burrow into the ground to escape from imaginary pursuers."

We have given sufficient evidence to prove the horrible consequences in store for the human race if the present conflict is allowed to go on gathering momentum until it is completely out of hand. The horrors of poison gas warfare, of the use of bacteria, of the spreading of plagues, of the use of rats inoculated with infectious diseases, of poisoned dust and smoke clouds engulfing the countrysides of Europe are all possible and indeed probable unless the common peoples of Europe and the world uproot the power of the military men and bring the war to an early close by political and industrial action organised for the establishment of lasting peace through Socialism.

(I am indebted to Councillor A. J. Gillian, General Secretary, Chemical Workers' Union, for some of the facts published in this chapter, and have drawn freely from his pamphlet, "Chemical Warfare and the Civilian Population.")

## 26. RACE SUICIDE OR A SOCIALIST WORLD?

In the preceding pages we have dealt only with facts and have erred on the side of moderation rather than exaggeration, so perhaps the reader will forgive a slight excursion into the realms of possible extensions in the technique of scientific destruction. In Germany, the U.S.A. and, to a lesser degree, in Britain, thousands of leading scientists are concentrating in an effort to solve the problem of the effective use of atomic power as a destructive weapon in the present or future wars.

The search for Uranium 235, from which this power is derived, opens up the possibilities of such devastating frightfulness and destruction that human imagination could not fully grasp the actuality from the use of a single bomb produced from uranium atomic energy. Sufficient it is to state that, according to the scientists who are conducting this research, one pound of this substance would have a destructive power equal to a thousand of the largest bombs so far used in the present conflict. One small uranium bomb exploded in the centre of London, Berlin, Tokio, or New York, would literally destroy the whole city. One bomb released over a convoy of ships would blast and sink every vessel afloat for miles around. The discovery of the actual possibilities of uranium is, in itself, one of the outstanding achievements in the annals of chemical science. It gives the promise of a new civilisation based on unlimited power which gives mankind stored up energy capable of guaranteeing abundant supplies of all the material requirements of a happy life. It heralds the coming of a new Garden of Eden out of which the serpents of poverty, scarcity and insecurity have been banished for all time, but if its tremendously destructive power is made available for war, it will lead to the destruction of all culture—it will mean race suicide and will turn the world into smoking ruins and usher in the new Dark Ages.

## 27. SOCIALISE THE CHEMICAL INDUSTRY

The Chemical Industry is not essentially a munitions industry. Enormous quantities of chemicals are needed in peace-time. Indeed, chemical substances are used in every basic industry and, directly or indirectly, for every article of present-day use, yet little has been known or written of this vitally important industry. Indeed, the great chemical monopolies have made it their business to keep information away from the public. For thirty years they have maintained a violent hostility to the Chemical Workers' Union because this was the one organisation of the workers which challenged their vested interests and dared to open the book of mystery and expose the menace of the chemical octopus in both peace and war.

Coal, salt, sulphur, air and water are the five basic materials needed for the manufacture of most chemical compounds necessary to mankind

to-day. The future of industry, of medicine and of agriculture of this nation and of the world, depends on freeing these five materials from the dead hand of capitalist profit-making and control and placing them at the disposal of the people through socialisation.

The old order of free trade is over. Tariffs, as a policy, failed to meet the new situation—a situation in which each nation strives as far as possible to achieve local self-sufficiency. Germany made a religion of it and called it National Socialism, but from the first it was doomed to failure because it was based on dictatorship, violence and the retention of private profit-making for a chosen Nazi few. Nevertheless, the Governments of the world have been compelled by events to take out of the hands of the business men the control of exports and imports. In the near future the common people will be compelled, by economic necessity, to emancipate an expanding chemical industry from the shackles of private ownership so as to free chemical research and production for the leading rôle it must play in developing the natural resources of each country and the world.

## 28. SOCIALIST POSSIBILITIES

When that day comes, as come it will, this industry under Socialist control would be able to:—

- (1) Increase enormously essential material supplies.
- (2) Give the chemists and scientists their first opportunity of using creative skill.
- (3) Make possible large-scale chemical research and control all new patents, discoveries and processes for the benefit of the people and not in the interests of a few.
- (4) Make this country almost independent of Empire resources by developing a self-contained organic chemical industry capable of producing all our needs of synthetics, such as petrol, oils, rubber, rayon, drugs, plastics, etc.
- (5) Enrich British agriculture out of all proportion to present-day supplies by scientific chemical fertilisation.
- (6) Improve the conditions and shorten the hours of chemical workers, making the industry fit for their children to enter and giving the workers, both technical and operative, a voice in the control of the industry on behalf of the nation.

If this policy were applied on a European and international scale, economic conflicts and their resultant imperialist wars for natural resources and world markets would be laughed out of court as a thing of the past, and humanity, for the first time in human history, would be in a position to live in dignity, enjoying the full fruits of industrial and scientific progress.

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